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Automotive News

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Delays rain on new Chevy, Dodge ragtops

Beretta on hold; 400 Shadows set for July, August

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

General Motors and Chrysler Corp. have missed their targets of a spring launch for compact convertibles. The Chevrolet Beretta and Dodge Shadow ragtops will miss the peak 1990 open-air selling season.

The Beretta convertible is "on hold indefinitely," a Chevrolet spokesman said. The spring introduction was halted because of conversion difficulties. "So far the vehicle has failed to meet our quality targets," a Chevrolet spokesman said.

Lotus Elan delayed by supplier troubles, Page 49

Three specially modified Beretta convertibles are still scheduled to pace the Indianapolis 500 on May 27, including one driven by Chevrolet General Manager J.C. "Jim" Perkins.

The Chevrolet spokesman said the delay of the launch won't kill the marketing advantages of Indy.

"The rub-off is on the Beretta itself and to Chevrolet in a broader sense," the spokesman said.

Chrysler will begin production of the Dodge Shadow convertible in June. An estimated 400 units of the 1991 model will reach dealers in late July and August, the company said.

Dodge division spokesman Michael Aberlich said Chrysler had planned to begin building the car in May and that the model has always been designated a 1991 model in product plans.

But dealers said an earlier spring launch had been anticipated, and Chrysler executives in interviews and in written press material had identified the convertible as a 1990 model.

Chrysler denied any manufacturing problems, but dealers said conversion troubles have hampered the Shadow ragtop launch.

ASC Inc., the Southgate, Mich., engineering and conversion company, is converting the Shadow in a new plant built in Toluca, Mexico. A small number of Shadows were once built in Toluca, but the car is now built only in the Detroit suburb of Sterling Heights, Mich.

C&C Inc., based in Brighton, Mich., is converting Beretta coupes manufactured in Wilmington, Del., in a renovated plant in Bridgeport, N.J.

"We don't launch cars today of any kind if the quality is not right," said C&C President David Draper. "Our plant is still working building pilots. Everybody wants to be at a comfort level that says the car is ready to launch. It will be Chevrolet's decision when they launch."

Draper would not detail product difficulties but noted that convertible conversions have unique manufacturing problems. Removing a coupe's roof makes the body much less rigid, so the converter must reinforce the body. Asked if the Beretta ragtop might be struck from product plans, the Chevrolet spokesman said, "That decision hasn't been made."

Several Chevrolet and Dodge

see DELAYED, page 49

Chevrolet's Jim Perkins can drive a ragtop Beretta at Indy, but he can't sell any this season. The project is on hold.

Anti-lock brakes begin their boom time

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Anti-lock brake systems for passenger cars, trucks and minivans are on the rise as the balance between cost and technology tips in favor of bringing ABS down to the middle market.

Among Detroit's Big 3, General Motors led the ABS way on its 1989 products, according to figures compiled for the *Automotive News Market Data Book*, which will be published May 30.

Industry spokesmen predict that within 10 years ABS will be commonplace on new vehicles.

Dealers say the technology all but sells itself.

"It's easy for us to sell ABS," says Ken Scott, general manager of Ron Postma Chevrolet-Geo in Chicago. "It's one of the most innovative factors on cars today, and customers are beginning to understand its importance."

Says Mike Maresca, a salesman at Autoland Lincoln-Mercury-Mazda in Toms River, N.J.: "Most people ask for it by name, and we will use anything we can in this down market to sell cars. Women are coming in and asking for it because the word's on the street how good it is."

Paul Preuss of Ford Motor Co. predicts: "Eventually, someday you will see ABS thoughout Ford's lineup — as you will see it being used by other manufacturers."

Preuss, manager of product and technology public

see ABS, page 52

U.S. probe may hamper Chrysler sale

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp. says a federal investigation of its defense electronics subsidiary could hamper Chrysler's ability to sell it.

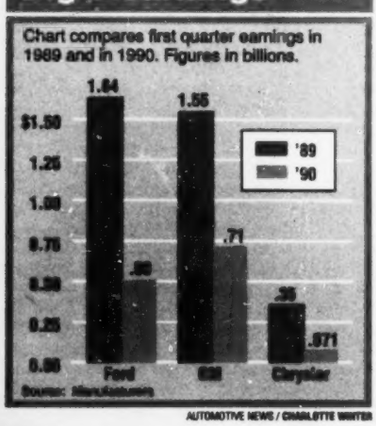
Federal investigators are looking into allegations of improper pricing and billing by Chrysler's Electrospace Systems Inc., according to a Chrysler filing with the Securities and Exchange Commission.

In December, Chrysler offered its aerospace and defense units for sale to raise cash for Chrysler's core automotive business. The company sold Gulfstream Aerospace for $825 million in March.

But Chrysler has been unable to find buyers for the two remaining units: Electrospace Systems, based in Richardson, Texas, and Chrysler Technologies Airborne Systems Inc., based in Waco, Texas.

see INVESTIGATE, page 52

Big 3 earnings



AUTOMOTIVE NEWS / CHARLOTTE WINTER

1st quarter rebates slash Big 3 profits

By Charles M. Thomas, Mary Connelly and Laura Clark
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — In an already sluggish market, the Big 3 domestic automakers slashed production in the first quarter of 1990, then paid dearly through costly incentives to reduce dealer stocks.

As a result, inventories at the end of March were down nearly 15 percent from December highs.

But to thin inventories to acceptable levels, earnings at Ford, General Motors and Chrysler suffered.

Combined profits at the Big 3 automakers were $1.3 billion for the first quarter 1989, down 64 percent from $3.5 billion for the first quarter a year earlier. Sales for the three U.S. automakers totaled $60.6 billion, down from $67.8 billion in the 1989 first quarter.

General Motors profits were down 54 percent, Ford's skidded 69 percent, and Chrysler profits sagged 80 percent in the first quarter 1990 for the same period a year ago.

The surprise came from Chrysler Corp., which sneaked by the first quarter with a slim profit.

Analysts, who had predicted the company would lose money or at best, break-even, said the profit was due to the company's cost-cutting efforts and earnings from its financial subsidiary.

Chrysler Corp.

Chrysler reported quarterly net earnings of $71 million. Most of the earnings flowed from its financial subsidiary. Automotive operations contributed about $5 million of the profit.

First quarter results were down 80 percent from the first three months of 1989 when the company earned $351 million. Wall Street analysts had expected Chrysler to only break even. Chrysler, in the final quarter of 1989, reported a net loss of $664 million, including a $577 million one-time charge due to plant closings and related costs.

Chrysler's common stock, which had reached a 52-week low of $14.50 on April 30,

see EARNINGS, page 49

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GM touts quality gains

Ads use employees to help convince public

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors has kicked off a massive campaign to convince the public that its product quality has greatly improved.

The "Putting Quality on the Road" campaign broke in 25 newspapers nationwide last week. A four-page, black-and-white spread highlights such things as engines and transmissions. Independent studies are quoted to substantiate claims.

Similar magazine ads and television spots featuring workers and managers discussing improved quality will follow.

Shirley Young, GM vice president for consumer market development, spearheaded the effort because the public's perception of GM's product quality dramatically lags actual quality improvements GM has made. "That perception has been a barrier to improving market share," she said. GM's car market share dropped to 34.83 percent in 1989 from 46.41 in 1980.

GM also launched a massive internal promotion aimed at making its employees goodwill ambassadors. In a videotape viewed by thousands of GM employees last week and a newsletter sent to homes of employees and retirees, an upbeat GM President Robert Stempel, who becomes chairman Aug. 1, congratulates workers for their efforts in boosting GM's product quality in the past five years. The content arms them with facts — similar to those in the ads — to prove GM's improved quality.

In the video, Stempel converses with workers at the Willow Run, Mich., assembly plant. Then he turns to the camera. "Learn the facts about GM quality," Stempel says in his commanding style. "Then spread the good word."

GM plans a similar message to employees of its 6,000 suppliers and 10,000 dealers.

Young said the effort will last at least three to five years. She wouldn't disclose the cost, but *Advertising Age*, a sister trade publication to *Automotive News*, estimates it at $40 million this year.

The GM campaign shares many elements with Ford Motor Co.'s "Quality is Job One" ads, which use employees to tout products.

A four-page newspaper spread kicked off GM's new ad campaign.

Chrysler big loser in otherwise solid late-April report

Peter Brown
EDITOR

Chrysler Corp. continued its 1990 sales plunge in late April, pulling down an otherwise improved 10-day selling period for domestic-built vehicles.

Industrywide, U.S.-built car sales rose 0.64 percent and domestic light-truck sales rose 7.84 percent for the period, boosting total vehicle sales up 3.17 percent over a mediocre 10 days last April.

The slight month-end improvement softened the rear edge of a slow April, which finished down 9.32 percent from April 1989.

Chrysler was the big loser:

- For the 10-day period, down 33.76 percent in its U.S.-built cars and down 16.51 percent in its U.S.-built trucks.
- For April, down 36.60 percent in cars and 26.40 percent in trucks.
- Toyota Motor Sales U.S.A. and American Honda Motor Co. each outsold Chrysler in cars in April.

Chrysler no longer produces the subcompact Omni and Horizon models, and most current products were down.

A Chrysler spokesman said the company squeezed its inventories too low after heavy January sales spurred by special incentives, including the first-ever rebates on Chrysler's dominant minivans.

Like Ford Motor Co. and General Motors, Chrysler slashed production in the first quarter.

Chrysler's sales were also hurt as

see SALES, page 50

GM plant manager retires; 9 go, too

By Greg Bowens
SPECIAL CORRESPONDENT

DETROIT — General Motors' first female plant manager in the United States retired abruptly in late April. Nine of her staff members left at the same time.

Patricia Carrigan, 61, is a clinical psychologist heralded by industry analysts and labor for her management style at a components plant in Bay City, Mich.

Mystery shrouds her departure and what has been reported as firings or forced resignations for the nine staff members.

"She has retired from GM and we have not replaced Patricia Carrigan," said Darwin E. Allen, director of media relations for the Chevrolet-Pontiac-GM of Canada Group, which oversees the plant. "Beyond that, I have no comment."

Carrigan did not return calls from *Automotive News*.

Tom Peters, co-author of *In Search of Excellence*, had called the GM plant manager and her work at the Bay City, Mich., plant an example of leadership and productivity in America." She was featured on a 1988 television special hosted by Peters about effective management.

Carrigan joined GM in 1973 after leaving Bendix Corp. In 1982, she became plant manager of the Lakewood, Ga., plant. She moved in 1985 to Bay City, where local union officials credit her with saving it from the wrecking ball. She was the only plant manager known to have a doctorate in psychology.

Buick City manager retires

FLINT, Mich. — Nelson B. Gonzalez, manager of General Motors' highly-touted Buick City plant in Flint, Mich., has retired suddenly.

In a memo to Buick City workers, GM said Gonzalez, 53, took early retirement "to pursue other personal goals."

Gonzalez

He will consult for Vemco Inc., a firm that makes exterior body parts.

During Gonazalez' 18-month tenure as manager, Buick City was named the highest quality U.S. assembly plant by J.D. Power & Associates of Agoura Hills, Calif. Three years earlier, it ranked in the bottom quarter of similar surveys. Its Buick LeSabre was named best-built U.S. car in a 1989 survey.

GM said his retirement is not related to the abrupt retirement of Patricia Carrigan.

Prices of the unwanted, hand-built limos are said to be "open to discussion." The cars, which look almost new, have been driven only by official chauffeurs.

Czechs unload Party limos

By Knut Moberg
STAFF CORRESPONDENT

PRAGUE, Czechoslovakia — Authorities in Czechoslovakia want to sell all the Tatra 613 limousines which were once used by ousted Communist Party officials.

Most Czech leaders prefer the more egalitarian Skodas these days, though the new president uses a Renault, a gift of France.

Czechoslovakia's rulers do not want to be associated with a bad memory of the past — black Tatras with curtained windows carrying party officials at high speed along Prague's city streets.

The cars were handmade at the Tatra Truck Factory for government use only, although a limited number were exported "to party members in friendly nations."

The 4,000-pound car has a rear-mounted, air-cooled V-8 engine producing 168 horsepower.

The cars now for sale appear to have been well maintained and have been driven only by official chauffeurs. A 10- or 20-year old Tatra looks almost new.

Fuji buyout places Subaru on level U.S. playing field

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — With last week's announced buyout of Subaru of America Inc., the last major independent importer in the United States will be brought in step with the rest of the industry, Chairman Harvey Lamm said last week.

The deal will make Fuji Heavy Industries Inc., which already owns 49.6 percent of Subaru, a fully committed player in the U.S. market, Lamm said. And because Fuji and Subaru won't have competing interests, dealers will see more stability in the company, he predicted.

A committe of Subaru directors recommended that Subaru be taken over by Tokyo-based Fuji, which makes Subaru vehicles.

The deal will pay shareholders of the nation's only publicly traded importer at least $8.50 per share. Subaru management refused to accept Fuji's offer of $6 per share in January. At $8.50 per share, the present offer is worth around $208 million.

If the deal is affirmed by shareholders, Fuji will join other Japanese manufacturers in owning a comprehensive operation in the United States, including its own marketing, importing and distribution. Fuji also has a 51 percent stake in Subaru-Isuzu Automotive Inc., an assembly plant in Lafayette, Ind.

Fuji President Toshihiro Tajima said Subaru staff and executives can remain American, but "communication between all divisions of our business would be improved."

A shareholder vote is expected some time in the third quarter.

Lamm said he expects no profound overnight changes following the proposed takeover, pointing out that as its largest shareholder, Fuji has effectively had control of Subaru for more than a dozen years.

Subaru officials have complained privately in the past that in pursuit of volume, Fuji forced Subaru to accept too many cars, which then had to be deeply discounted. The high cost of rebates, nearly $100 million a year in 1987 and in 1988, helped drive Subaru in the red. The company lost nearly $130 million from fiscal 1987 through fiscal 1989.

In turn, Fuji was footing more and more of the bills at Subaru, including about $75 million for U.S. sales and marketing programs in the last three years and a critical loan guarantee that helped Subaru secure a $250 million revolving credit agreement with a group of banks last fall.

Nevertheless, Subaru remained independent.

Also, Lamm said that Fuji's major Japanese shareholders, including the Industrial Bank of Japan and Nissan Motor Co., don't like the fact that as a publicly held company, Subaru is obliged to disclose its financial dirty laundry.

Nissan, which owns 4.5 percent of Fuji, recently placed one of its executives, Isamu Kawai, as Fuji's president.

Taking Subaru private helps Fuji "get better support from their key shareholders," Lamm said.

Subaru's sales in 1989 were 136,112, compared with a high of 179,100 in 1986. As earnings dropped, Subaru's stock also fell, from $37.75 per share in June 1986 to a recent price of around $6.

When the $8.50-per-share deal was announced last Thursday, Subaru stock jumped $1.625 to $8 per share.

Fuji's original $6 offer was sweetened with an estimated $2.50 per share expected to be raised by selling off Subaru's lease portfolio, which is in effect a package of interest-bearing IOUs presently held by its Subaru Financial Services subsidiary.

The additional $2.50 per share works out to about $128 million to be distributed to shareholders. Since Fuji owns 49.6 percent of Subaru, Fuji will also receive nearly half of the $128 million.

Marvin Riesenbach, Subaru chief financial officer, said the net effect of the $8.50 proposal is Fuji is providing the additional $2.50, since it's coming out of assets Fuji would have purchased anyway.

"It's just a question of which pocket they were most comfortable paying it from," Riesenbach said.

In announcing the merger, the companies also revealed that a group of small shareholders had sued Subaru, claiming shareholders would suffer if the deal went through at $6 per share. The litigation was settled in light of the $8.50 offer, the companies said.

Automotive News Staff Reporter Mary Ann Maskery in Tokyo contributed to this report.

Hyundai auto workers stage solidarity strike

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — Hyundai Motor workers at the company's main plant in Ulsan walked off the job last Monday. The 15,000 workers declared a week-long sympathy strike for striking workers at the adjoining shipyard of Hyundai Heavy Industries.

Significantly, the walkout was unrelated to wages, working conditions or contract negotiations in progress at the auto plant. Rather, it was an expression of solidarity with the 20,000 workers at Hyundai Heavy Industries who have been demanding the release from jail of their union leaders. The leaders were charged and imprisoned last year following a four-month strike.

A majority of the 15,000 striking Hyundai Motor workers agreed at a meeting in Ulsan Friday to return to work today (May 7).

The situation at the adjoining Hyundai Heavy Industries shipyard remained tense. Most of the strikers vowed to continue the stoppage in defiance of all attempts to persuade them to return to work.

Hyundai Heavy Industries workers had barricaded themselves in the shipyard, but a few days later, on April 28, there was a dramatic dawn raid that saw the deployment of police by air, sea and ground to evict the workers from the shipyard.

Random street violence continued between groups of striking shipyard workers and police in Ulsan over the weekend. By some accounts, parts of the town looked like a war zone.

In his statement made after the police action, Chung Se-Yung, chairman of the Hyundai Group and Hyundai Motor, reasserted his position that the shipyard strike was illegal and that there would be no compromise. Charges against the jailed union leaders would not be dropped, he said.

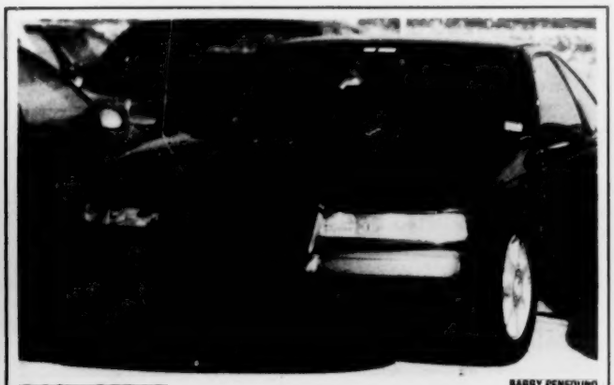
Meanwhile, a number of Hyundai Motor showrooms in Seoul were attacked by stone-throwing demonstrators who smashed plate glass windows in protest over police action at the shipyard.

e government's hardline response is an indication of the deep concern about the Hyundai Heavy Industries strike's ripple effect throughout Korean industry.

But sending in police to resolve the issue and to set up an example of the government's determination to quash illegal labor disputes may have provoked more strikes, such as the one by the Hyundai Motor workers.

AUTOMOTIVE NEWS JOE WILSSENS

Chung Se-Yung: No compromises.



BARRY PENFOUND

A bit of Mark

Lincoln goes aero with the next generation Mark series, scheduled for introduction as a 1992½ or 1993 model. The Mark VIII front-end section here is clipped to a T-bird mule for engine temperature testing.

N.Y. fights service contract gouging

By Helen Kahn
SENIOR CORRESPONDENT

Price gouging on manufacturer service contracts sold by New York car dealers cost consumers more than $25 million in overcharges last year, state Attorney General Robert Abrams charged last week.

Abrams says some 175,000 New York customers, or half of those who bought automaker service contracts in 1989, were overcharged. He estimates that two million customers nationwide were excessively billed $300 million.

According to a state study, overpricing exists when a customer pays more than the manufacturer's suggested retail price for a contract. When there is no suggested price, the study says it is gouging when customers pay more than twice the dealer's cost.

Norma Sharp, director of the New York Auto Dealers Association, said the group will oppose legislation to require New York dealers to provide customers with price data for service contracts. Abrams is supporting the measure.

"In all instances, a dealer is free to sell his product for any price the market will bear," Sharp said. She added that service contract prices can be negotiated and that the contracts may be sold below or above the suggested price.

It is not illegal to charge more than the suggested price.

Data for the New York study came from General Motors, Ford Motor Co., Chrysler Corp. and Toyota Motor Sales U.S.A. Inc. All but Toyota have suggested prices. The four companies provided pricing data for over 1,700 contracts.

Because the suggested price is often twice the dealer's wholesale price, there is already a dealer profit built in. But Abrams found markups five and six times higher than the suggested price.

Abrams cites two instances of "rampant price gouging." A Chrysler dealer charged a customer $1,620 for a service contract that had a suggested price of $250 and a wholesale price of $125. And a Ford dealer charged a customer $1,495 for a service contract with a suggested price of $315 and a wholesale cost of $195.

The New York probe dealt only with manufacturer service contracts, usually with suggested prices that included profit for dealers. It did not look into pricing of service contracts offered by dealers or third parties, or of automaker service contracts "bundled" with price-obscuring options.

GM, Ford and Chrysler provided both the suggested prices for their contracts and the actual sales data. Toyota does not have suggested prices, but Abrams concluded there was price gouging because 83 percent of the contracts were sold to consumers for more than twice the dealer cost.

Big 3, Toyota provide data for service contract study

According to the New York study, overpricing exists when the customer pays more than the manufacturer's suggested retail price for the contract. When there is no suggested price, gauging takes place when the customer pays more than twice the dealer's cost for the contract. Four companies provided data:

Ford Motor Co. provided information showing that of 105 service contracts, 57 percent sold above the suggested retail price. The average was $268 over the suggested price.

General Motors, 147 contracts, showing 61 percent of those contracts sold above the suggested retail price. The average was $265 over that price.

Chrysler Corp., 1,161 contracts, showing 46 percent sold above suggested retail price. The average was $273 over that price.

Toyota Motor Sales U.S.A. Inc., 300 contracts, showing 83 percent were more than twice the dealers' wholesale cost by an average of $252. Toyota does not provide a suggested price.

New trial for dealer, Toyota

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Former Missouri Toyota dealer Fred Angle, who won a $5 million award against Toyota Motor Sales U.S.A. in January, may have to prove a second time that the automaker used the controversial turn-to-earn allocation system to force him out of business.

Clay County Circuit Judge Kenneth Elliott has granted Toyota's motion for a new trial on the grounds the jury was given wrong instructions for setting damages.

Angle has appealed the decision.

Toyota, in a routine legal procedure, had asked Elliott to enter an order limiting damages. Instead, he decided to redo the trial.

Angle, who was a Toyota dealer in Kansas City from 1983 to 1986, charged Toyota with shorting his allocation of cars to force him out of business.

He accused the company of engaging in conduct that caused damage to his franchise; refusing to deliver vehicles in reasonable quantities and in a reasonable time; and imposing unreasonable standards of performance in violation of the Missouri Motor Vehicle Franchise Practices Act.

Mitsubishi gets sales, exposure in Value stake

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

CYPRESS, Calif. — A Japanese firm joined the Big 3 in the daily fleet rental business last week when Mitsubishi Motor Sales of America Inc. bought controlling interest in Value Rent-A-Car, based in Deerfield Beach, Fla.

Although Value is relatively small, the association is an important one for Mitsubishi, which expects three benefits:

- A steady stream of fleet sales.
- Increased product exposure.
- Low-mileage used cars for dealers.

"One of the reasons you like to own your own daily rental company is that you know that you'll have captive fleet business that you can count on, and then we can plan our production cycles and their fleet cycles in sequence," says Dick Recchia, Mitsubishi's executive vice president and chief operating officer.

Mitsubishi plans to supply 85 percent of Value's 20,000-unit requirements by year's end. Before, the fleet was dominated by Fords. Four-door Mirages, which Mitsubishi will begin building at the Diamond-Star Motors Corp. plant this fall, will be the biggest part of the fleet, supplemented by Galants and Monteros.

Mitsubishi has been riding a wave of increased sales. For the first quarter this year, sales were 68 percent ahead of last year, the best of any nameplate. Recchia says buying Value will help ensure continued success.

"We bought a rental company that specializes in tourist and leisure, rather than business, travel. That means people — families — are in our cars for an average of five to seven days, not two or three days," Recchia says. "Getting prospects into our cars is a key part of the equation."

Value currently has 25 locations in Florida, Louisiana, Georgia, Arizona, Colorado and Nevada, including new facilities in Las Vegas and Ft. Lauderdale and Orlando, Fla. Recchia said Mitsubishi is studying the California market for possible expansion in the mid-1990s.

Recchia says the acquisition will allow dealers to compete more aggressively in used cars.

"We're going to generate a Mitsubishi-branded entry-level price car into the market," said Recchia, "reaching owners who can't necessarily afford the new cars." Mitsubishi's least expensive car, the Precis, sells

see MITSUBISHI, page 52

With its majority control of Value Rent-A-Car, Mitsubishi has a captive fleet business.

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Curry questions data supporting boost in CAFE

By Jack Keebler
and Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTERS

WASHINGTON — The head of the National Highway Traffic Safety Administration last week raised doubts about the research supporting a bill that would force dramatic increases in corporate average fuel economy.

NHTSA Administrator Jerry R. Curry made the remarks during the annual SAE Government/Industry meeting in Washington. In a technical session earlier that day, the contractor who did the research for the Department of Energy faced stiff questions from a Chrysler Corp. economist. And he conceded his analysis did not justify the fuel economy increases in the legislation.

Curry

That measure, sponsored by Sen. Richard Bryan, D-Nev., looms as one of automakers' biggest fears as Congress considers ways to confront the global warming theory.

The theme of this year's session was the need for a government-industry dialogue in addressing mutual problems. Among the findings presented:

- The use of safety belts does not increase in cars with automatic, non-motorized belts.
- The fuel efficiency of the nation's car fleet can improve with current technology.
- Overall fuel economy has slipped because consumers have higher priorities than saving gas.

And in a conference-wide address, the president of Ford Motor Co. said half the world's global automakers will be lucky to survive the competition over the next 10 to 15 years.

The bill referred to by Curry would require that makers improve their CAFE by 20 percent from 1988 levels by 1995 and 40 percent by 2001. The current standard is 27.5 mpg.

"My discussions with engineers indicate that CAFE conclusions of a 40 percent increase by the year 2000 seem to rest on the analytical findings of one man," said Curry. "His work may be excellent, but then again it may not be."

Earlier, the DOE contractor, K.G. Duleep, director of engineering for Energy Analysis Inc., had defended his tough estimates. But he did make some small "revisions" in the automakers' favor.

Duleep said the DOE analysis did not support rules that would require a 20 percent increase in fuel economy by 1995 and a 40 percent increase by 2001.

He said, for example, that his analysis did not address the weight added by tougher emission controls and safety features. In conclusion, he said that the "maximum technology" called for to achieve the highest improvements in economy were "risky and not cost-effective to the consumer."

W.V. Bussman, an associate corporate economist with Chrysler Corp., attacked the original work done by Duleep with a zest rarely seen in SAE technical sessions. But Bussman added that the Duleep revisions had brought the estimates "more in line with what the industry believes are true."

Bussman's model only predicts a 5.4 to 7.5 percent improvement by 1995 from a 1987 baseline.

TECHNOLOGY'S EFFECT ON FUEL ECONOMY

Through the use of available technology, automakers will help keep carbon dioxide emissions constant through the end of the century, according to David Greene, a researcher at the Center for Transportation Analysis.

If automakers made no significant changes to their cars, the average fuel economy of this country's car fleet would increase 24 percent to 33.5 mpg between 1987 and 2001 just because older, less fuel efficient cars will be scrapped. If maximum use of current technologies is made, fuel efficiency could increase 46 percent to 39.4 mpg in 2001. Similar gains would be made with light trucks.

	1995		2001	
	Existing Technology Level	Maximum Technology	Existing Technology Level	Maximum Technology
Autos	29.30 mpg	31.53 mpg	33.50 mpg	39.40 mpg
Light Trucks	22.45 mpg	23.07 mpg	24.95 mpg	27.00 mpg

Inactive passive belts

The use of safety belts has not increased in cars equipped with non-motorized automatic lap and shoulder belts, a system used widely by General Motors, federal researchers said.

Although they are designed as passive restraints, the devices can be easily unfastened near the hip. They then can function similar to a conventional, active three-point system.

In contrast, preliminary studies show that fatalities have dropped 5 to 10 percent and injuries 16 to 23 percent in cars equipped with two-point motorized passive belts, said researchers from the National Highway Traffic Safety Administration.

Holding the line on CO2

By using available, cost-effective technology, automakers can help keep carbon dioxide emissions — believed to be a major cause of global warming — constant through the year 2000, said David Greene, a researcher at the Center for Transportation Analysis at the Oak Ridge National Laboratory in Oak Ridge, Tenn.

If automakers made no significant changes to their cars, the average fuel economy of the nation's car fleet would increase from 27 mpg in 1987 to 29.3 mpg in 1995 because older, gas-guzzling cars will be off the road. In 2001, the figure will be 33.5 mpg.

If automakers were to use all the available technologies — such as front-wheel drive, multivalve engines and aerodynamic design — fuel efficiency could be boosted to 31.53 mpg in 1995 and 39.4 mpg in 2001.

But the maximum achievable fuel economy is not the most economic, Green said. He said the maximum costs of those investments outweigh the benefits in fuel savings.

Big car trend continues

Representatives from Ford Motor Co., General Motors and the EPA said that technological advances have provided large fuel-economy benefits — but powerful forces in the marketplace are depressing fuel-economy numbers.

And there is nothing to indicate that this trend will be reversed soon.

Carmakers pointed out that although individuals say that fuel economy is one priority in buying decisions, they are also strongly influenced by low-cost fuel, safety features, rear-drive preferences, passenger capacity and towing and

see SAE, page 49

UAW blasts plan to sweeten GM's exec pension

GM Chairman Roger Smith's yearly pension would rise nearly $500,000 annually.

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors' proposal to dramatically boost the pensions of its top executives drew fire from the UAW.

The modified pension plan, if approved by shareholders at the May 25 annual meeting, would bump GM Chairman Roger B. Smith's yearly retirement payout to about $1.2 million, up from $700,000 under the existing plan. Smith retires at the end of July.

UAW President Owen Bieber called the sweetened pensions, which will cost the automaker about $42 million extra this year, "outrageous." UAW members are demanding improved pensions for members and retirees in this year's contract talks. GM's contract with the UAW expires Sept. 14.

Bieber said GM, in light of the proposed hike in pensions, has no excuse "to be less than fully responsive to the needs of our older members and retirees."

GM's new plan for its top 3,350 executives would apply the pension formula to salary as well as bonus. Under the present plan, GM bases pensions only on salary.

GM said surveys showed GM's pension plan was less competitive than 80 percent of the U.S. companies surveyed.

Mazda: Ford-Marine deal promising

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Mazda Motors of America hopes its credit arm can provide better service to Mazda dealers and win more business from them when Ford Motor Co. acquires Marine Midland Automotive Financial Corp.

The Ford-Marine Midland deal is expected to be completed in a few weeks.

Kazutomo (Ted) Tsuchiya, executive vice president of Mazda Credit, said Mazda Credit's penetration in dealer and customer financing has been "less than satisfactory" with Marine Midland, which has serviced Mazda dealers and buyers since 1987.

Mazda Credit finances less than 10 percent of new Mazda cars and trucks. That compares with 25 percent in early 1988. Mazda Credit provides floor-plan financing to only 30 of Mazda's 850 U.S. dealers.

Mazda dealers have complained that Marine Midland hasn't provided them with competitive interest rates and quick turnaround times in processing loan applications. Mazda was so unhappy with tightened credit policies and poor service at Marine Midland that it seriously considered bringing its credit arm in-house.

Tsuchiya said Mazda Credit "is still investigating and studying" various options to improve service to dealers. But the credit arm has another two years until its Marine Midland contract expires.

Tsuchiya said Mazda Credit may choose to evaluate the Marine Midland operation under Ford's control for the next two years.

Ford has assured Mazda that under its proposed acquisition of Marine Midland's business, announced April 14, Marine Midland's operations would be kept separate from Ford's North American Automotive Financing Operations.

GM's COUP

3-year NBC deal provides top programs, ad discount

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

General Motors' three-year $500 million-plus deal with the National Broadcasting Co. will lock up bigger ad discounts. It will also lock out GM's competition from top-rated programming — just in time for the Saturn launch.

Philip Guarascio, GM executive director of advertising and strategic marketing, said some of that blocked-out ad time will be devoted to GM's forthcoming Saturn cars.

With the launch of GM's Saturn in the wings, the deal establishes a "base and a vote of confidence from what has been our largest client," said Larry Hoffner, NBC executive vice president network sales.

Chrysler Corp. said there is still plenty of room for the automaker's ads on NBC prime-time. In fact, Chrysler had a chance to purchase advertising time during NBC's NFL programs but turned it down, said Arthur Kesterloot, Chrysler advertising and media relations manager.

"We just purchased a four-year contract with CBS and ABC (television networks) for football. We chose not to buy NBC (football programs)," said Arthur Kesterloot, advertising and media relations manager at Chrysler Corp.

"We compared the buys and found CBS and ABC (television networks) better for us. Additionally, we have a four-year commitment to (advertise during) National Basketball Association games on NBC."

Ford Motor Co. declined comment on the GM/NBC deal.

Advertising Age, a sister trade publication to *Automotive News*, reported that GM, Ford and Chrysler have signed contracts to sponsor ABC's "Monday Night Football" for four years, starting this fall.

Each automaker gets revolving quarter-by-quarter exclusivity in the Monday night games for an estimated $46 million each. They will likely be joined by three other car companies.

Toyota Motor Sales USA has agreed to be a sponsor of the halftime show while incumbent Monday Night Football advertisers Nissan Motor Corp. in U.S.A. and Mercedes-Benz North America are continuing negotiations. *Advertising Age* said Mazda and Honda would consider buying in if either Nissan or Mercedes-Benz pulls out.

Last week GM and NBC announced an advertising pact that makes GM the only domestic car advertiser during National Football League games on that network. Also, the deal gives GM first shot at NBC's prime-time programming and its cable networks, CNBC and Sports Channel America.

The agreement begins with the 1990-91 television season, is for a minimum of three years and worth in excess of $500 million.

GM's Guarascio, said the pact is consistent with GM's on-going effort to get the maximum value for GM's advertising expenditures to further the sales efforts of GM divisions, including Saturn Corp.

"It assures us access to NBC's best programs at very favorable rates," said Guarascio. "It helps our dealers to a degree that we can showcase our advertising on desirable programs while minimizing our competitors' access to those programs."

He added that the deal puts GM in a "better position to negotiate other advertising buys."

NBC's Hoffner called the agreement "the largest commitment made by any advertiser in the history of television advertising sales.

"We were not forced to make this deal," Hoffner said. "We embraced it with GM."

In the mid-1980s GM instituted a strategy whereby it demanded corporate-wide advertising discounts, rather than division by division, in exchange for multi-year contracts.

Many marketing experts applauded GM's latest move.

"They're squeezing all of their suppliers — that's just good business," said Thomas C. Kinnear, a professor of marketing and associate dean at the University of Michigan Business School.

Vehicle trade deficit declines in January

WASHINGTON — Falling demand for imported vehicles led to a 14.5 percent decrease in the U.S. automotive trade deficit in January.

The U.S. trade deficit in passenger cars and light trucks stood at $2.85 billion in January compared with $3.33 billion in January 1989, statistics from the U.S. Commerce Department show.

U.S. vehicle imports dropped "largely because the Big 3 experienced an overall decrease in sales in the U.S. market, which led to a decline in U.S. imports of their Canadian-made autos," according to Dennis Rapkins, Chief of the U.S. International Trade Commission's Transportation Branch.

The January improvement also reflected a 2.6 percent decline in the value of Japanese-made imports. "There was a slight contraction in U.S. demand for certain Japanese-made autos, and U.S. production by Japanese-owned automakers increased and continued to substitute for imports from Japan," Rapkins said.

The value of U.S. exports also declined for the month. U.S. automotive exports stood at $685 million in January compared with $853 million one year ago. The 19.7 percent drop was mainly due to a 26.5 percent reduction in exports to Canada.

The value of U.S. passenger car exports to Japan increased 82.6 percent for the month.

Several countries showed increases in the value of cars shipped to the United States. The value of January shipments increased 4.3 percent from West Germany, 49.1 percent from Mexico, 9.1 percent from the United Kingdom and 49.5 percent from Italy.

Countries that saw a decline included Japan, 2.6 percent; Canada, 22.5 percent; South Korea, 69.5 percent; Sweden, 58.4 percent; France, 92.8 percent and Brazil, 39.1 percent.

Among light truck-producing nations, Mexico was the only country to make headway in January. U.S.-bound shipments increased from 719 vehicles in January 1989 to 20,018 in January 1990.

The value of light truck imports fell 12.7 percent from Canada, 46.8 percent from Japan and 63.8 percent from "other" nations, the Commerce Department reported.

The value of U.S. exports of light trucks fell 62.0 percent for the month. The value of shipments to Canada was down 61.6 percent.

There were 320,866 light trucks and passenger cars imported to the United States in January 1990 compared with 405,962 a year earlier. The total quantity of light truck and passenger car exports fell from 74,678 in January 1989 to 54,308 last January.

For the 12 months ended Jan. 31, the automotive trade deficit was $41.8 billion compared with $43.2 billion the previous 12 months.

Ford to build 3 types of V-6

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

ROMEO, Mich. — Ford Motor Co. will offer 2.0-, 2.5-, and 3.0-liter displacement versions of its modular V-6 engines by the mid 1990s. They will likely power such vehicles as its Taurus-Sable and Tempo-Topaz cars.

David Hagen, general manager of Ford's Engine Division, said the automaker is planning a second phase of its new modular engine program that will produce V-6 engines; the first phase involves V-8 engines. The V-6 engines will be produced at Ford's Cleveland Engine Plant beginning around 1993.

Sources close to the project say Ford is considering building the modular V-6 engine for the future Tempo-Topaz's European counterpart, the Ford Sierra, at the Cleveland plant as well.

Ford currently is overhauling Cleveland Engine No. 2, one of two portions of the complex, to mirror its Romeo, Mich., engine plant. The Romeo plant, considered a model for future Ford engine plants, will build the 4.0-liter and 4.6-liter modular V-8 engines in as many as 12 variations on one assembly line.

Ford's new modular engine program allows the automaker to build several variations of an engine from one basic design. That allows Ford flexibility as it faces more stringent fuel economy and emission standards in the future.

Hagen said Porsche System Engineering in Weissach, West Germany, did up front work on the first designs for the modular V-6 engine. Ford accepted 90 percent of the Porsche design, Hagen said, although the Porsche design did not meet Ford's requirements.

Hagen said the combustion chamber on the Porsche-designed engine did not have the burn rate Ford wanted.

"It was a good experience (with Porsche), but, again, it taught us that Porsche is more premier in the areas of getting a lot of power out of good structure," said Hagen.

Cleveland nixes team concept

ROMEO, Mich. — Gutting its engine plant in Cleveland and installing new machinery will be the easy part.

The tough part will be persuading workers to adopt a team concept.

Ford Motor Co. wants its Cleveland Engine Plant No. 2 to mirror its Romeo, Mich., engine plant. In addition to new manufacturing methods, testing procedures and supplier requirements, Ford and the UAW in Romeo have implemented a team concept to boost quality.

But Cleveland workers, who operate under a traditional labor contract, are resisting the team concept.

"You won't see the team concept in Cleveland (Engine Plant). There are a lot of guidelines that we've had for 30 years, and we're not about to change things," said UAW Local 1250 President Jerry Melillo, who represents workers at Ford's Cleveland engine complex.

"Ford would like us to buy into the Romeo agreement. We won't. We believe we build the finest engines in the Ford system. Our emphasis will be on quality and training," Melillo said.

U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	Jan. 1989	Jan. 1990	Feb. 1988-Jan. 1989	Feb. 1989-Jan. 1990
Japan	Export	$ 26,124	$ 47,705	$ 287,731	$ 356,398
	Import	1,411,709	1,375,006	19,733,145	20,115,585
Canada	Export	428,739	314,971	6,335,644	6,033,202
	Import	960,373	743,831	13,226,271	12,656,109
West Germany	Import	471,006	491,407	6,290,122	5,040,956
South Korea	Import	244,565	74,526	2,459,144	1,422,397
Sweden	Import	212,153	88,278	1,767,827	1,525,507
Mexico	Import	47,934	71,486	1,209,789	1,198,336
Yugoslavia	Import	0	58	64,363	7,033
United Kingdom	Import	56,053	61,161	943,443	942,122
Italy	Import	12,845	19,198	150,054	269,062
France	Import	12,636	906	175,704	47,035
Brazil	Import	22,864	13,928	332,674	273,463
Others	Export	220,159	254,376	1,864,603	2,446,964
	Import	10,117	32,747	286,787	429,287
Car total	Export	675,022	617,052	8,487,978	8,836,564
	Import	3,462,255	2,972,532	46,639,313	43,926,892
TRADE BALANCE		(2,787,233)	(2,355,480)	(38,151,335)	(35,090,328)
Light trucks (up to 10,000 lbs. gvw)					
Canada	Export	$ 149,520	$ 57,355	$ 1,576,406	$ 1,607,266
	Import	460,759	402,260	3,625,783	5,640,613
Japan	Import	251,027	133,501	3,211,964	2,467,172
Mexico	Import	719	20,018	10,546	140,887
Others	Export	28,683	10,266	384,137	169,822
	Import	7,131	2,582	131,970	202,215
Truck total	Export	178,203	67,621	1,960,542	1,777,088
	Import	719,636	557,774	6,986,854	8,451,887
TRADE BALANCE		(541,433)	(490,153)	(5,026,312)	(6,674,799)
Car and truck total	Export	853,225	684,673	10,448,520	10,613,652
	Import	4,181,891	3,530,306	53,626,167	52,378,779
VEHICLE TRADE BALANCE		(3,328,666)	(2,845,633)	(43,177,647)	(41,765,127)
TOTAL U.S. Merchandise trade (customs value)	Export	28,364,700	32,072,100	326,808,800	367,690,200
	Import	36,886,100	41,324,700	443,899,900	477,415,200
TRADE BALANCE		(8,521,400)	(9,252,600)	(117,091,100)	(109,725,000)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Jan. 1989	Jan. 1990	Feb. 1988-Jan. 1989	Feb. 1989-Jan. 1990
Japan	Export	1,845	2,659	22,880	22,780
	Import	150,374	139,134	2,101,502	2,040,276
Canada	Export	39,957	26,661	622,918	55,7439
	Import	85,957	71,614	1,186,316	1,136,773
West Germany	Import	20,173	20,997	258,788	217,087
South Korea	Import	42,057	12,879	443,491	241,431
Sweden	Import	13,058	5,463	140,640	93,910
Mexico	Import	5,128	7,332	140,261	135,253
Yugoslavia	Import	0	15	23,942	2,356
United Kingdom	Import	1,792	2,257	31,583	29,843
Italy	Import	501	637	5,829	9,455
France	Import	1,041	77	16,465	3,921
Brazil	Import	3,942	2,278	57,410	44,483
Others	Export	17,197	19,715	147,604	189,886
	Import	681	2,066	17,847	27,347
Car total	Export	58,999	49,035	793,402	768,409
	Import	324,641	264,749	4,395,075	3,982,135
TRADE BALANCE		(265,642)	(215,714)	(3,601,673)	(3,213,726)
Light trucks (up to 10,000 lbs. gvw)					
Canada	Export	13,541	4,500	154,683	134,602
	Import	43,400	31,336	320,817	438,826
Japan	Import	37,849	23,143	536,520	407,885
Mexico	Import	0	1,629	29	9,791
Others	Export	2,138	773	31,428	22,169
	Import	72	9	2,261	2,391
Truck total	Export	15,679	5,273	186,111	156,771
	Import	81,321	56,117	860,827	860,627
Trade balance		(65,642)	(50,844)	(674,716)	(703,856)
Car and truck total	Export	74,678	54,308	979,513	925,180
	Import	405,962	320,866	5,255,902	4,842,762
TRADE BALANCE		(331,284)	(266,558)	(4,276,389)	(3,917,582)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

Service Index rises in March, 1st quarter

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts business at auto dealerships in March continued on the positive side for the third consecutive month.

With all five indicators in the Automotive News Service Index registering increases for the second month in a row, March service and parts volume amounted to 106.2 percent of the shop business performed in March 1989.

Although March volume was ahead of the year-ago total, the increase was less than the gains reported by dealers in February, which was up 13.6 percent over the corresponding year-ago month, and January, up 12.3 percent.

Figures used in the Service Index are averages compiled from reports on shop operations from a cross-section of the nation's new-car dealerships.

March's leading indicator was total labor sales (customer-paid and warranty), which topped last year's volume by 12.9 percent. Next was sales of parts and accessories, up 4.6 percent.

Shop parts sales, used on both customer-paid and warranty repairs, were up 3.0 percent. Gross profit on all labor, parts and accessories — the most important indicator from the dealers' viewpoint — was 2.6 percent above last year's figure. Repair orders written were 0.1 percent over the number in the same month last year.

Dealer service and parts business for the first three months of 1990 was 110.7 percent of the volume for the comparable period a year ago. All five indicators used in the compilation also were up from the corresponding 1989 period.

Sales of all parts and accessories led the year-to-date indicators with an increase of 10.5 percent, followed by gross profit, up 8.9 percent. Total labor sales increased 8.8 percent; shop parts sales climbed 7.3 percent; and repair orders written were up 0.1 percent.

SERVICE INDEX 106.2*

	March, '90 vs. March, '89	Jan.-March, '90 vs. Jan.-March, '89
Gross Profit on All Labor and P&A Sales	+ 2.6%	+ 8.9%
Repair Orders Written	+ 0.1%	+ 0.1%
Total Labor Sales (Customer & Warranty)	+12.9%	+ 8.8%
Shop Parts Sales (Customer & Warranty)	+ 3.0%	+ 7.3%
Sales of All P&A	+ 4.6%	+10.5%

* Survey by Automotive News shows that dealers' service and parts business in March 1990 was 106.2 percent of business in March 1989. Service business in the first 3 months of 1990 was 110.7 percent of business in the corresponding period in 1989

523,800 outlets sell auto goods

LANHAM, Md. — In 1989, more than a half million outlets were selling automotive products to consumers, according to an Automotive Parts and Accessories Association study tracing the aftermarket distribution system.

The association's fourth edition of *The Retail Distribution of Automotive Products* found 523,800 such U.S. outlets in 1989 despite the year's high rate of merger and acquisition activity.

The total includes 52,600 traditional (auto supply and tire stores), 24,500 jobber, 298,200 service outlets and 148,500 mass merchandisers. Service locations include car dealerships, service stations, specialty and general repair shops, recreational vehicle and motorcycle dealers, car washes, parking lots and quick lubes. Mass merchandisers include discount, department, hardware, food, drug and variety stores.

The association estimates one-third of all U.S. retail establishments now sell auto products.

ESTABLISHMENTS HANDLING AUTOMOTIVE PRODUCTS IN 1989
(in thousands)

Type of outlet	1980	1983	1986	1989
Traditional	43.4	50.2	53.3	52.6
Service outlets	317.3	313.1	290.7	298.2
Mass market	130.3	133.1	140.6	148.5
Jobbers	29.5	22.2	22.7	24.5
Total	520.5	518.6	507.3	523.8

SOURCE: Auto Parts & Accessories Association

OUTLOOK:

Makers' impact on aftermarket to lessen despite niche vehicles, longer warranties

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LAS VEGAS — The automakers' role in designing, producing and marketing a variety of vehicles will have less impact on the future of the U.S. automotive aftermarket than it might appear.

Richard J. Sherman, general director of sales and marketing for GM's Service Parts Operation, delivered that message to a marketing conference sponsored by the Motor and Equipment Manufacturers Association and the Automotive Warehouse Distributors Association.

Sherman

Sherman said that niche-market vehicles, shorter product cycles, vehicle quality improvements, extended warranties and technological advancements have a limited impact on parts proliferation, but could open new avenues of business for the automotive parts aftermarket and independent service outlets.

To a large extent, Sherman said, niche vehicles are designed and manufactured for special needs of select groups of customers. They are unique, functionally and cosmetically, he said.

"To cite a current example, the two-passenger Buick Reatta and the five-passenger Buick Riviera appear very unique and different from each other," he said. "Their bodies and interiors are certainly unique, but much of the drivetrain and componentry, which is not perceptible to the consumer, is common to both vehicles."

Future vehicles, Sherman said, also will tend to share more componentry while still having unique niche-market appearances.

According to Sherman, the keys to meeting rapidly changing consumer tastes — economies and timing of shorter vehicle design, development and product cycles — also dictate that similar components be used when possible.

He said the impact of more niche-market vehicles and shorter product cycles on parts proliferation and serviceability will not be as great as suggested by the variety of vehicles offered now and in the future.

Sherman said many manufacturers are targeting a 100,000-mile trouble-free vehicle to meet consumers' minimum perceived demands. He said this dictates development of more reliable and durable component parts and shorter required maintenance intervals.

As quality improves, vehicles will remain on the road longer. Vehicles 10 years old or older represented 12 percent of the vehicle population in 1970, 20 percent in 1978 and 32 percent in 1988. This is expected to continue, he said.

The focus of independent service outlets on three- to 10-year-old vehicles could shift to six- to 15-year-old models, he said. This affects both extended and original-equipment-manufacturer warranties, but Sherman does not expect it to greatly impact service market size. "In light of the component quality improvement goals of most OEMs and increasing vehicle life expectancy, improved warranties in and of themselves may have little impact on the size of the independent aftermarket," he said.

There is little doubt that future vehicles will be more technologically advanced and more complex, Sherman said. Even so, he added, customer preference and competition still will have a large impact on where consumers go for service of their more complex vehicles.

"Customers will go where it is most convenient and where they get satisfaction," he said. "Obviously, in many cases, distribution channel participants will need to acquire new service skills if they hope to capitalize on the technologically driven aspects of vehicle repair."

"In order to adapt, investment in people, through training, and diagnostic equipment, as well as management of technological information, must be made."

REWARD

Ford dealer service employees get perks for better customer satisfaction ratings

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Ford Motor Co. has introduced a program that awards dealership service employees cash and prizes for improvements in the dealership's customer satisfaction rating.

Kenneth W. Myers, parts and service marketing manager for Ford Parts and Service Division, says the incentive program, called "Values in People," is designed to involve dealership personnel in a team effort.

"It gives dealership employees a strong motivation to work for improved customer satisfaction — motivation in the form of quarterly cash, merchandise or travel," Myers says.

Under the program, if the service rating of the dealership improves a minimum of two-tenths of a point in a quarter, compared with the same year-ago period, workers will receive cash or points that can be used for merchandise and/or travel.

Ford grades a dealership's customer satisfaction on a 1-10 scale, with 10 the best score. The Quality Commitment Performance rating is based on surveys by Ford Parts and Service Division of a dealership's service customers and new buyers.

In the rating system, Ford and Lincoln-Mercury dealers averaged a score of 7.58 for 1989 and 8.07 for the first quarter of 1990, Myers says. "We want to continue to improve that average," he adds. "With this program, there are so many more employees involved in this part of the activity, and they are the ones always left out. The program will get all of them thinking."

Myers says Ford already has evidence that the program is working. "Never before have we had dealership technicians coming up asking how they did on their Quality Commitment Performance," he says. "Now we have them asking."

Ford started the program after recognizing the one ingredient it had neglected in its many initiatives to improve customer satisfaction and dealer handling of customers — a reward for employees when the dealership improves its rating.

He said the division has targeted its largest 2,000 metropolitan dealers.

"Any dealer can sign up for the program, and we have a lot of other dealers as well," he says. "But we find the smaller, more rural dealers have very good customer relations, generally. Their scores are somewhat higher than those of larger metropolitan dealers."

Myers

Initially, 2,500 of Ford's 5,500 dealers enrolled approximately 34,500 service employees. The division was successful in signing 87 percent of the target group.

Enrollment is open to two groups of employees. Group A includes parts and service directors, service and parts managers, service advisors, body shop managers and foremen, dispatchers, cashiers, switchboard operators, and rating program coordinators.

Group B employees include technicians, vehicle prep personnel, and retail and shop parts personnel (excluding wholesale personnel).

Awards for Group A employees range from $300 in top-volume dealerships, $200 in mid-volume dealerships and $100 in low-volume firms, while Group B dealership employees receive $200, $100 and $50, depending on the size of the dealership.

Ford parts and service funds 50, 75 or 100 percent of the award's cost based on improvement over the overall service rating in the comparable year-earlier quarter.

Ford will fund 50 percent of the awards' cost for a 0.2 point improvement, 75 percent for a 0.4 improvement, and 100 percent for an 0.8 improvement.

As an example, if a dealer had a 7.60 overall service satisfaction score in the prior-year quarter, and the score improved to 8.00 this year (0.4 improvement), the dealer's employees would receive awards, and Ford would fund 75 percent of the award costs.

If the dealership does not attain its improvement target, no awards are issued, and there is no cost to the dealer.

Any charges for the program are billed quarterly to the dealer's parts statement.

Association aids exporters

LAS VEGAS, Nev. — The Automotive Service Industry Association has devised a program to help qualified members begin exporting or expand their export operations in overseas markets.

The association has received export certification status from the United States Commerce Department under terms of the 1982 Export Trading Company Act.

Certification permits the association to operate as an export trading company. Qualifying member companies will be able to operate as trading companies under the umbrella of the association.

The program was kicked off here with a meeting attended by representatives of about 50 member firms during the association's international automotive aftermarket convention.

Lorne Nedvidek, director of international affairs for the association, said members can obtain a certificate of preclearance allowing the firms to engage in export activities on a joint basis with competitors if they wish, and to prepare joint bids, establish export prices, allocate markets and exchange information.

"The association's role," he said, "is to serve as a catalyst for the participating members to develop creative ways to use the antitrust protection afforded by the act for the purpose of launching or expanding their markets overseas."

Florida consumers win majority of new lemon law cases

By Helen Kahn
SENIOR CORRESPONDENT

More than 70 percent of consumers who had cases approved for arbitration under Florida's toughened lemon law were successful last year.

As a result, Florida Attorney General Robert A. Butterworth is calling the first year of the state's second generation lemon law a success. Consumer awards were worth $2,934,936.

Consumers won 89 of the 136 cases decided by the state board, with a total value of $1,917,943, or an average of $21,550. All but four of the winning consumers chose refunds over replacement vehicles.

An additional 64 consumers entered into settlements before a hearing. Of those, 56 received full refunds or replacement vehicles.

Only 206 lemon cases were handled last year, partly because of normal start-up delays and partly because no pending lemon cases were covered retroactively by the new law. Of the 206, four were withdrawn by consumers. Two others were already in negotiation.

The state expects far more activity in 1990. There will be carryover cases from 1989, and consumers better understand their rights. In the first two months of 1990, 116 lemon cases were underway.

The Florida law covers purchased and leased new vehicles and demonstration models. It covers cars, vans, utility vehicles, light trucks and mechanical and structural parts of recreational vehicles.

FLA. LEMON LAW

Table compares each company's share of Florida car market with its share of the Florida complaint market. A total of 89 complaints were decided for consumers by Lemon Law arbiters.

Company	Share of complaints	Share of car sales
Chrysler	20.2	14.7
Ford	42.7	23.9
GM	18.0	35.0
All Others	19.1	26.4

Source: Florida Lemon Law Arbitration Program

After the vehicle undergoes three failed repair attempts or spends 30 days out of service, the consumer must give the maker one final chance to fix the problem. If not satisfied, the consumer then uses a state-certified manufacturer arbitration program if there is one or goes directly to the state-run board. If still dissatisfied with that decision, the consumer may take the case to court.

On resale, the vehicle's lemon status must be disclosed.

Buyers of new cars in the state get a Lemon Law Rights Booklet and defect-notification forms.

By April 1989, cases had started to trickle in and by May, the attorney general had appointed 48 arbitrators still to be trained.

During the last half of 1989, Ford, Toyota, General Motors, Saab, Rolls Royce, Volkswagen and Honda received state certification for programs.

Philip Nowicki, who runs the Florida program and was the chief author of the law, says most cases involved new cars and the automaker's failure to fix the problem in three tries. When filing for arbitration, the average consumer had used the vehicle for 5.8 months or 7,707 miles and incurred expenses of $311.67.

Of the 136 decisions, three have been appealed: one by Chrysler, one by Mercedes-Benz and one by a consumer against Isuzu. All are still in court.

By far, the greatest problems were engine-related — starting, stalling and rough running.

Nowicki has worked out a Lemon Index, based on the number of units sold in Florida and where at least two cases were decided in favor of consumers.

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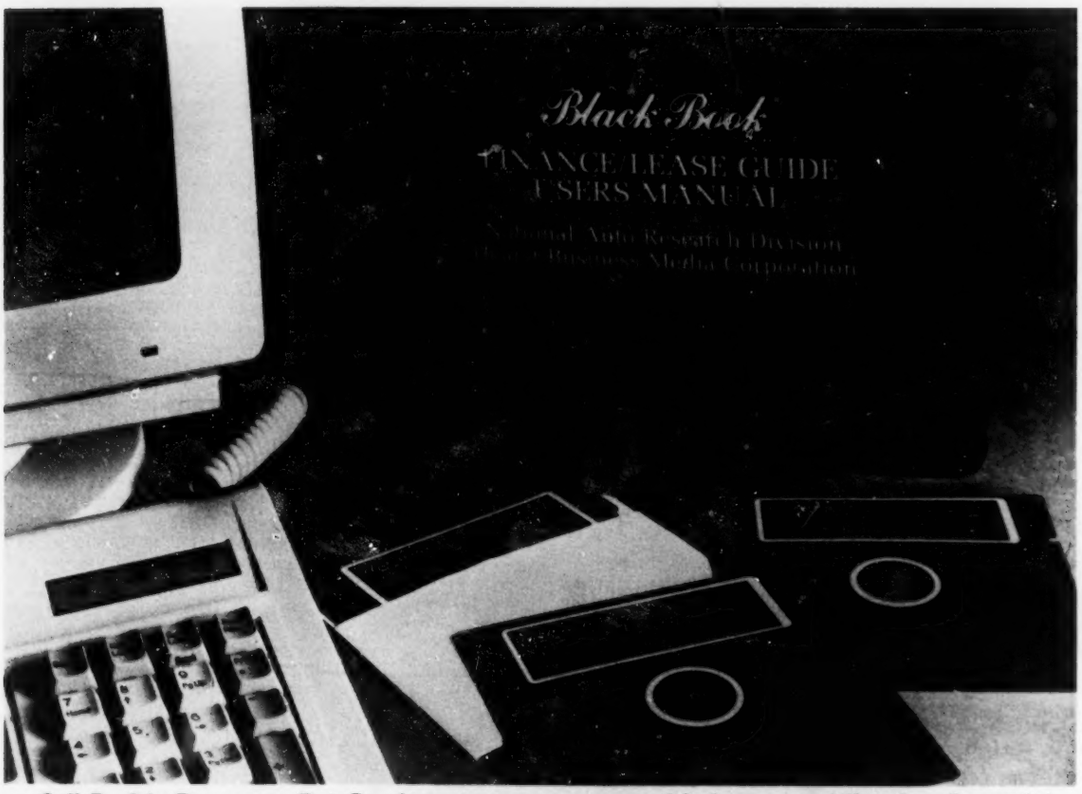

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Court calls lemon ruling too generous

By Helen Kahn
SENIOR CORRESPONDENT

It looks like John D. DePaola won't be getting lemonade from his "lemon" 1985 Volvo after all.

An arbitrator had awarded DePaola a new 1987 Volvo 745 GLE after ruling his 1985 version with 47,000 miles on it was a lemon. A lower New York court upheld that award.

But now a divided New York state appellate court has ruled that the arbitrator was too generous. The case has been sent back to arbitration.

DePaola, complaining of engine stalling and vibration at high speeds, had gone to arbitration under Volvo's dispute settlement program with the American Arbitration Association.

He was awarded the 1987 Volvo under the "comparable vehicle" provision of New York's lemon law.

Volvo of North America unsuccessfully challenged that award in a lower court.

The company appealed again, and the court, in a 3-2 decision, rescinded the award.

The court, referring to the legislative history of the New York law, says a "comparable vehicle" means a "vehicle of the same year and model and which has approximately the same mileage as the vehicle being replaced."

But this is not necessarily a "new" vehicle.

The court pointed out that the state lemon law provides for either a replacement vehicle or a refund of the purchase price.

It also allows adjustments for mileage over 12,000 as well as damage beyond normal wear and improvements.

The court reasoned that these same factors will be considered for the "comparable vehicle" option.

"Thus, the statute provides for alternative remedies that are of equivalent value.

"To uphold the award in this case would frustrate the statutory scheme and allow the consumer to choose between remedies that are grossly disproportionate in value," the court said.

EARNINGS

FROM PAGE 1

climbed to $15.25 on May 1 following the earnings report.

Chrysler Corp. Chairman Lee Iacocca said that despite first quarter production cuts, weak sales and costly incentives, the company's automotive operations were profitable. Chrysler said it was able to achieve about $200 million in fixed-cost savings during the quarter as part of its $1.5 billion cost-cutting program.

"Our $1.5 billion cost-cutting program is certain to become a major competitive advantage for Chrysler," Iacocca said. "We are on the road toward our goal of becoming the lowest-cost, highest-quality automotive producer in North America."

Incentive costs averaged $1,400 per vehicle during the quarter, nearly double those of one year ago, the company said.

Chrysler Financial Corp. came to the rescue of Chrysler Corp.'s bottom line in the first quarter by earning $89 million. Only $66 million was passed along to the corporate parent because of preferred stock action and because of tax rate changes when the subsidiary's earnings are consolidated with those of its parent.

John P. Tierney, chairman of Chrysler Financial, said the subsidiary's net earnings were 37 percent higher than the previous first quarter record of $65 million set in 1988 and 1989. He credited lower borrowing costs.

Chrysler said its worldwide factory unit sales fell 26 percent in the quarter to 493,612 vehicles from the comparable period of 1989. Revenues fell 22 percent to $7.5 billion from the first quarter last year.

But Iacocca noted that the "financial community demonstrated its confidence in the company" through its purchase of $1.1 billion in 30-year bonds to finance the Chrysler Technology Center in Auburn Hills, Mich.

Chrysler in the first quarter did not recognize any gain realized from the $825 million sale of Gulfstream Aerospace Corp. in March, 1990. The company said any gain would be accounted for when the remaining units of its Chrysler Technologies operations are sold. Those units are Electrospace Systems, Inc., a supplier of electronic products and systems, and Chrysler Technologies Airborne Systems, Inc., a military aircraft products and systems company. (See story, Page 1.)

Ford Motor Co.

Ford Motor Co. earned $506 million in the first quarter, down 69 percent from a record $1.6 billion in the first quarter of 1989.

Chrysler's incentive costs averaged $1,400 per vehicle during the quarter. That was nearly double those of one year ago.

David McCammon, Ford treasurer and vice president of finance, attributed the sharp decline to soft U.S. sales and lower production rates at its U.S. plants, record costs for incentives and weaker overseas earnings due to economic and labor problems at foreign subsidiaries.

Ford's revenues totaled $23.6 billion, down 9 percent from the first quarter of 1989. Ford's worldwide sales and revenues were $23.6 billion, down nine percent. Factory unit sales slid 17 percent to 1,443,000 in the first quarter. Ford sales outside of the United States were up only slightly.

Profits margins tumbled to 1.7 percent in the first quarter from 6.6 percent in the year-ago first quarter.

Ford earned $315 million on its worldwide automotive business in the first quarter of 1990, down 79 percent from year-ago levels. Ford's U.S. automotive profits amounted to $160 million, down 80 percent; overseas profits totaled $155 million, down 72 percent.

In the United States, Ford spent an average of $1,000 per vehicle on incentives. That compares to an average $400 per vehicle in the year-ago period and $800 in 1989's fourth quarter.

McCammon said work stoppages in Ford plants in Dagenham and Halewood, England, and Mexico cost the company $220 million.

Worldwide capital expenditures hit a first-quarter record of $1.6 billion. Capital expenditures coupled with some costs associated with the $2.5 billion purchase of Jaguar reduced Ford's cash reserves. Ford's cash at the end of the first quarter was nearly $2.9 billion, compared with $4.1 billion at the end of the fourth quarter.

Jaguar had a operating profit, but Ford's costs acquiring Jaguar had a negative impact on profits.

Ford's Financial Services Group reported $191 million in earnings, up 35 percent million from a year ago.

General Motors Corp.

General Motors' profits dipped sharply in the first quarter due to sagging auto sales and higher incentive costs.

Production also was cut in the first quarter to bring dealer inventories down, further affecting earnings.

GM profits plunged 54 percent to $710 million on total revenues of $30.1 billion from $1.6 billion on revenues of $33.2 billion for the first quarter in 1989.

The company's cost reduction program in the first quarter of $800 million affected profits favorably, and overseas operations continued at record levels, according to the automaker.

Electronic Data Systems Corp. had first-quarter earnings of $110 million on sales of $1.4 billion. That compares with $100 million in profits on sales of $1.3 billion for the same period a year ago.

Revenue from EDS's non-GM business was up 16 percent in the first quarter and accounted for 46 percent of total EDS revenues compared with 44 percent for first quarter 1989.

EDS corralled several new customers in the first quarter of 1990 including two state agencies — the Kansas Department of Social and Rehabilitation Services and the Texas Comptroller's Office.

The company also signed an agreement with Texas Air Corp. in which EDS and Texas Air each will own 50 percent of a partnership operating the computer reservation systems of Texas Air's System One Corp.

GM Hughes Electronics Corp. reported first-quarter profits of $183 million on revenues of $2.9 billion. That compares to profits of $210 million on revenues of $3.0 billion during the first quarter of 1989. Lower earnings and revenues of the electronics and defense subsidiary were due to reduced defense spending and lower production of GM vehicles, which use the subsidiary's electronics.

And GMAC reported first-quarter earnings of $336 million, down six percent from 1989. Earnings were down at GM's financial arm due to lower wholsale financing volume.

The company financed or leased 526,000 new cars and trucks in the United States in the first quarter of 1990, down slightly form the prior-year level.

Despite a drop in total U.S. automotive sales in the first quarter of 1990, GM total retail vehicle sales were up, bringing GM's market share for total vehicles to 35.2 percent, a slight improvement over first quarter of 1989.

Worldwide factory sales of vehicles to GM dealers totaled 1.8 million units, down 14 percent from the same period in 1989.

GM dealers in the United States sold 1.2 million cars and trucks in the first quarter, up 1.4 percent from 1.2 million for the first quarter a year ago.

GM overseas unit sales totaled 618,000 cars and trucks, 3 percent above levels sold in the first quarter of 1989.

Convertible introductions

AUTOMOTIVE NEWS / CHRISTINE BEEVER

Unspecified supplier delays Lotus Elan arrival

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Group Lotus's new Elan two-seater will miss the summer convertible selling season in the United States because of supplier-related production delays.

When the company's first all-new car since 1975 debuted at the London Motorfair last fall, the Elan was expected to reach dealerships in Britain in January and in the United States in spring.

But shipments have been held up by problems with three component suppliers, said Lotus Managing Director Michael Kimberley. He said most problems have been overcome and production will increase steadily until the end of August.

Lotus, owned by General Motors, has 4,700 orders for the Elan.

Until two weeks ago, dealers in Britain had received just 25 demonstrators. Kimberley said about 60 cars now have been delivered, and he predicted a U.S. launch in September or October.

"We would have liked to have been ready for the spring selling season in the U.S., but we're a small company and can't do everything at once," he said.

Lotus is not specifying the supplier problems. Peter Riddle, product planning manager, said, "We've been living a little bit hand-to-mouth with one supplier whom I'd rather not name."

Ronald Foster, president of Lotus Cars USA Inc., said he hopes Elans can begin arriving in the United States as early as August. He expects about 400 cars during the calendar year.

"But we haven't sat down with dealers and said here is a firm launch date," said Foster.

Foster said he is not concerned: "A dealer would probably be more upset than me about missing the peak season. The demand is so strong it is not going to impact the sales of the car."

Foster said the U.S. import arm stopped counting orders at about 1,500. "If we had 2,000 cars now the dealers could probably find homes for them," he said.

Lotus Cars USA first showed the front-wheel-drive Elan in December. At that time it announced a price of $33,900 for the 137 mph turbocharged version of the 1.6-liter, 16-valve Isuzu-Lotus, and it said Lotus said dealer shipments would begin in June.

But Foster said a final price has not been set. "It is probably going to be more than $33,900."

Lotus plans to export up to 1,000 Elans annually to the United States out of full production of 3,000 units. Kimberley said production is running at the rate of four a day and is due to reach 12 a day by the end of August.

DELAYED

FROM PAGE 1

dealers expressed dismay at missing the prime convertible selling season.

"Every day we delay jeopardizes our opportunity to make inroads into the market," said Mark Stolkin, owner of Century Chevrolet in Bloomington, Ill. "I think we should have hung onto the Cavalier convertible until the Beretta was ready. We certainly are missing some market by not having either one at this point."

The Cavalier convertible converted by ASC was dropped at the end of the 1989 model year.

"I have no problem with them delaying until they make sure the quality is right," said Bill Nimnicht Jr., president of Nimnicht Chevrolet in Jacksonville, Fla. "But I think the car would have been a good summer seller. It's a beautiful vehicle."

Ken Meade, owner of Pointe Dodge in Detroit and chairman of the Dodge National Dealer Council, said, "We could have used the Shadow convertible, especially considering the market conditions. We would have loved to have seen it in May. It's not what we like, but we will have to grin and bear it."

Chrysler's internal sales target is 25,000 Shadow convertible units annually, and the company plans to sell the vehicle for $13,000 to $15,000, according to a company source. Chrysler sold 82,953 Shadows in 1989, and sales are down 18.30 percent through the first four months of 1990.

The Shadow ragtop has been on-again/off-again. It was originally planned as a 1988 model.

Chrysler sparked the revival of domestic ragtops in the early 1980s.

In the 1982 model year, Chrysler, looking for a way to expand consumer interest in its K-car, hired C&C to make a LeBaron convertible.

C&C predicts the market will continue to boom, with 127,000 domestic and 87,000 import convertibles to be sold in the United States in the 1990 model year and 146,000 domestic convertibles and 89,000 import units in the 1991 model year.

Also introduced or scheduled to be introduced this year are convertible versions of the Oldsmobile Cutlass Supreme, Lotus Elan, Geo Metro, Toyota Celica, Mercury Capri, Yugo Cabriolet, Buick Reatta.

SAE

FROM PAGE 4

load-hauling capabilities.

According to J.D. Murrell, project manager with the EPA in Ann Arbor, Mich., fuel economy has been declining since 1988. The passenger-car fleet fuel economy was 28.6 in 1988 and is 27.8 for 1990.

Benton: Shakeout due

The president of Ford Motor Co. predicts that only five to six of the world's full-line automakers will survive the next 10 to 15 years.

Philip E. Benton Jr. portrayed an economic and technological battle of automotive titans. Under his scenario, 10 to 12 of the largest automaker adversaries will be pitted against each other in a global struggle over the North American, Asian and European markets. Half of them will survive.

The weapons will be "massive" capital investments, large cost and time efficiency improvements, ever-shorter model-cycle times, global-product strategies and high technology, said Benton.

Benton complimented government representatives and industry engineers at the conference for their efforts to provide a forum for "a meeting of minds" in order to find a balance among society's competing demands.

SALES

DOMESTIC CAR SALES, APRIL

	Apr. 1 to Apr. 30, 1990	Same Period, 1989	Apr. 1990	Same Month, 1989	Jan. 1 to Apr. 30, 1990	Same Period, 1989
Talon	780	0	1,844	0	8,559	0
Premier	393	1,298	993	3,596	4,935	14,750
Total Eagle	**1,173**	**1,298**	**2,837**	**3,596**	**13,494**	**14,750**
Horizon	477	1,059	1,271	2,862	7,897	10,630
Laser	1,350	694	3,529	1,638	16,595	4,424
Sundance	1,701	2,745	4,683	7,109	18,705	27,275
Reliant	265	1,212	364	3,497	1,924	13,335
Acclaim	2,263	3,289	7,934	9,139	33,863	22,771
Caravelle	0	20	0	58	0	377
Gran Fury	0	44	0	230	0	1,237
Total Plymouth	**6,056**	**9,063**	**17,781**	**24,533**	**78,984**	**80,049**
LeBaron A/LeBaron K	1,213	19	3,088	79	6,328	477
LeBaron J	2,224	3,806	5,606	9,579	19,332	29,665
LeBaron GTS	287	165	362	490	983	2,001
Fifth Avenue (rwd)	93	432	133	1,410	571	5,609
Fifth Avenue (fwd)	898	0	2,156	0	11,399	0
Imperial	353	0	837	0	4,221	0
New Yorker C	802	3,430	2,237	9,465	11,857	35,427
New Yorker E	0	4	0	17	0	78
Total Chrysler	**5,870**	**7,856**	**14,419**	**21,040**	**54,691**	**73,257**
Omni	461	999	1,261	2,753	7,816	10,442
Shadow	1,993	2,495	5,298	6,485	21,878	26,778
Monaco	139	0	327	0	928	0
Daytona	1,372	3,271	3,082	8,431	11,975	25,127
Aries	225	1,113	298	3,215	1,518	12,776
Lancer	185	90	225	293	734	1,217
Spirit	2,312	2,585	6,823	7,145	29,248	19,622
Diplomat	0	75	0	211	0	1,787
Dynasty	2,080	4,146	6,214	11,041	32,178	41,935
Dodge 600	0	23	0	78	0	382
Total Dodge	**8,767**	**14,797**	**23,528**	**39,652**	**106,275**	**140,066**
CHRYSLER MOTORS	**21,866**	**33,014**	**58,565**	**88,821**	**253,444**	**308,122**
Escort	10,672	8,691	24,330	27,078	91,213	114,996
Mustang	4,099	6,081	10,449	19,192	40,927	65,606
Tempo	6,442	6,152	21,600	21,172	83,606	80,955
Taurus	10,269	11,496	30,972	35,070	115,344	118,345
Thunderbird	3,865	4,057	10,744	12,897	38,667	43,289
Probe	3,368	4,371	8,945	11,325	36,838	41,255
Crown Victoria	4,523	3,192	11,011	9,745	37,805	35,225
Total Ford Div.	**43,238**	**44,040**	**118,051**	**136,479**	**444,400**	**499,671**
Topaz	2,894	2,542	7,675	8,148	27,722	31,958
Sable	3,605	3,680	8,856	12,685	34,404	38,592
Cougar	3,739	3,260	8,687	10,799	28,764	35,681
Grand Marquis	3,769	3,163	8,782	9,376	25,760	36,245
Total Mercury	**14,007**	**12,645**	**34,000**	**41,008**	**125,953**	**142,476**
Continental	2,118	1,499	4,755	5,052	23,162	19,559
Town Car	4,322	3,235	13,256	11,982	50,793	37,732
Mark VII	865	733	2,227	2,351	8,961	8,628
Total Lincoln	**7,305**	**5,467**	**20,238**	**19,385**	**82,916**	**65,919**
Total L-M Div.	**21,312**	**18,112**	**54,238**	**60,393**	**208,869**	**208,395**
FORD MOTOR CO.	**64,550**	**62,152**	**172,289**	**196,872**	**653,269**	**708,066**
Skyhawk	56	767	127	2,051	585	6,967
Somerset/Skylark	3,789	2,094	8,654	5,830	34,798	19,455
Century	3,976	5,390	9,320	12,441	40,270	47,419
Regal	2,940	3,083	6,902	7,636	20,244	26,942
LeSabre	5,970	5,028	15,475	12,155	53,678	38,464
Reatta	289	420	702	847	2,322	2,516
Electra	1,154	2,502	3,363	6,786	18,699	26,029
Riviera	761	1,191	2,189	2,486	7,046	6,877
Total Buick	**18,935**	**20,475**	**46,732**	**50,232**	**177,642**	**174,669**
Cimarron	0	0	0	15	0	227
Allante	86	81	205	278	1,040	1,101
Seville	1,198	658	2,317	1,992	10,013	8,022
DeVille	5,265	5,041	11,869	15,512	57,947	56,567
Brougham	910	961	2,452	3,072	11,692	12,227
Eldorado	997	958	2,324	2,895	7,982	10,925
Total Cadillac	**8,456**	**7,699**	**19,167**	**23,764**	**88,674**	**89,069**
Geo Metro	628	0	1,605	0	4,241	0
Geo Prizm/Nova	3,373	2,821	9,207	7,119	38,111	17,980
Cavalier	10,758	8,453	28,274	25,596	105,283	98,458
Camaro	2,413	4,016	6,523	12,205	23,778	36,910
Celebrity	883	5,098	2,219	18,022	10,046	74,978
Corsica/Beretta	9,471	11,245	23,620	33,197	103,638	119,964
Lumina/Monte Carlo	7,551	586	19,770	586	77,159	1,444
Caprice	5,816	4,898	17,734	15,292	52,864	49,850
Corvette	622	663	1,741	1,930	6,836	6,267
Total Chevrolet	**41,515**	**37,780**	**110,693**	**113,947**	**419,320**	**405,851**
Firenza	0	1	0	1	0	9
Calais	4,720	3,171	9,963	8,718	34,373	30,459
Cutlass Ciera	4,046	6,505	9,852	18,380	42,308	67,137
Cutlass Supreme	5,646	2,640	11,516	6,852	43,549	34,298
88	3,557	4,698	7,978	13,753	35,586	48,707
98	2,074	2,322	4,798	6,787	17,009	24,189
Toronado	636	218	1,378	588	4,813	2,797
Total Oldsmobile	**20,679**	**19,555**	**45,485**	**55,079**	**177,638**	**207,596**
Fiero	0	129	0	327	0	1,264
Sunbird	3,806	3,838	8,400	10,133	34,835	30,470
Firebird	1,229	2,693	3,318	7,492	12,596	21,516
Grand Am	9,601	7,124	22,240	17,910	68,535	66,472
Pontiac 6000	1,607	2,854	3,715	7,460	17,574	25,006
Grand Prix	5,718	3,778	12,781	10,285	39,538	46,735
Bonneville H	2,255	3,231	5,391	8,994	22,813	31,045
Safari/Parisienne	0	175	0	480	0	1,466
Total Pontiac	**24,216**	**23,822**	**55,845**	**63,081**	**195,891**	**223,974**
GENERAL MOTORS	**113,801**	**109,331**	**277,922**	**306,103**	**1,059,165**	**1,101,159**
Civic	7,427	9,236	16,501	17,600	59,566	55,587
Accord	10,395	12,203	22,860	23,244	84,663	69,091
HONDA	**17,822**	**21,439**	**39,361**	**40,844**	**144,229**	**124,678**
MX-6	835	1,820	2,703	4,085	12,757	14,762
626	1,021	0	2,863	0	12,733	0
MAZDA	**1,856**	**1,820**	**5,566**	**4,085**	**25,490**	**14,762**
MITSUBISHI	**1,772**	**730**	**4,400**	**1,939**	**17,592**	**5,817**
NISSAN	**4,576**	**3,663**	**8,425**	**7,226**	**30,648**	**34,315**
TOYOTA	**14778**	**7,615**	**29,437**	**16,292**	**118,850**	**54,535**
SUBARU	**277**	**0**	**463**	**0**	**843**	**0**
DOMESTIC TOTAL	**241,298**	**237,964**	**596,428**	**662,182**	**2,295,528**	**2,351,454**
IMPORT TOTAL			**206,375**	**242,661**	**816,457**	**891,038**
INDUSTRY TOTAL			**802,803**	**904,843**	**3,111,985**	**3,242,492**

SALES

FROM PAGE 2

the company retreated from what Chairman Lee Iacocca characterized as unprofitable fleet sales. Sales of the full-sized Dodge Dynasty, a big fleet car, dropped by half in April, to just 2,080.

Toyota Motor Sales U.S.A. continued to lead the Japanese advance in car market share. In domestically produced car sales, Toyota was up 94.06 percent to 14,778 for the 10-day period.

Japanese nameplates accounted for 27.08 percent of the U.S. car market in April, up more than four percentage points from April 1989.

General Motors and Ford Motor Co. were up in both cars and trucks for the 10 days, but remained down for the month.

Ford, which had dropped 1.41 percentage points of market share in the first quarter, got a boost from its new Explorer four-door sport-utility and expects to regain market share with the new Escort.

GM's total car and light-truck sales were down 7.42 percent for April, still good enough to post slight gains in market share.

Other April winners and losers:

- Honda's sales of domestically produced cars dropped 16.87 percent for the 10 days, and both sales and market share dropped compared to April 1989, when dealer incentives inflated sales.
- Mitsubishi Motor Sales continued to soar, with April sales of 16,745 cars and trucks, up 67.12 percent from April 1989.
- Subaru of America's April sales dropped 21.20 percent, not as steep as the 35.03 drop it experienced in the first three months of 1990.

IMPORTED CAR SALES, APRIL

	Apr 1990	Apr 1989	4 Mos. 1990	4 Mos. 1989
Acura	12,380	12,716	44,317	43,499
Alfa Romeo	179	206	756	1,242
Aston Martin*	5	5	20	20
Audi	1,517	1,064	6,466	5,691
BMW	5,848	6,129	20,336	23,605
Chevrolet	13,098	12,496	53,970	36,009
Chrysler	434	769	2,241	2,559
Daihatsu	811	1,055	4,459	4,395
Dodge	1,411	3,904	6,593	13,824
Eagle	1,344	2,362	5,515	10,296
Ferrari*	80	80	320	320
Ford	5,042	6,426	21,428	25,780
Honda	21,106	25,661	74,636	74,556
Hyundai	10,411	16,808	44,822	66,499
Infiniti	1,661	0	5,356	0
Isuzu	294	1,520	1,130	6,069
Jaguar	1,599	1,344	6,343	5,827
Lamborghini*	13	13	52	52
Lexus	5,117	0	18,284	0
Lotus*	27	27	108	108
Maserati	20	21	80	88
Mazda	12,919	14,619	52,732	58,062
Mercedes-Benz	6,674	5,934	24,030	23,082
Mercury/Merkur	1,302	5,991	6,987	21,510
Mitsubishi	9,325	5,207	42,549	22,406
Nissan	26,138	34,298	110,244	132,481
Peugeot	449	558	1,578	1,984
Plymouth	1,394	3,712	6,638	12,720
Pontiac	3,359	4,124	9,743	15,541
Porsche	1,012	788	3,374	2,597
Rolls/Bentley*	100	100	400	400
Saab	2,182	2,693	8,518	10,611
Sterling	302	351	1,705	2,135
Subaru	9,409	12,529	33,984	50,307
Suzuki	448	414	2,053	2,000
Toyota	30,099	38,484	122,275	136,941
Volkswagen	10,240	10,690	39,395	40,401
Volvo	8,036	8,690	30,436	34,090
Yugo	590	873	2,584	3,331
TOTAL	**206,375**	**242,661**	**816,457**	**891,038**

*—Estimate

MARKET SHARES
Domestic cars

	April Sales	Pct. of Total
Subcompact	99,966	16.76
Compact	163,751	27.46
Intermediate	224,828	37.70
Standard	105,235	17.64
Speciality	2,648	0.44
TOTAL	596,428	100.00

U.S. CAR SALES BY MARKETING UNITS, APRIL

	Apr. 1990	Percent Share	Apr. 1989	Percent Share	4 Mos., 1990	Percent Share	4 Mos., 1989	Percent Share
Alfa Romeo	179	0.02	206	0.02	756	0.02	1,242	0.04
Aston Martin	5	0.00	5	0.00	20	0.00	20	0.00
American Honda	72,847	9.07	79,221	8.76	263,182	8.46	242,733	7.49
BMW	5,848	0.73	6,129	0.68	20,336	0.65	23,605	0.73
Buick	46,732	5.82	50,232	5.55	177,642	5.71	174,669	5.39
Cadillac	19,167	2.39	23,764	2.63	88,674	2.85	89,069	2.75
Chevrolet	123,791	15.42	126,443	13.97	473,290	15.21	441,860	13.63
Chrysler	14,853	1.85	21,809	2.41	56,932	1.83	75,816	2.34
Daihatsu	811	0.10	1,055	0.12	4,459	0.14	4,395	0.14
Dodge	24,939	3.11	43,556	4.81	112,868	3.63	153,890	4.75
Eagle	4,181	0.52	5,958	0.66	19,009	0.61	25,046	0.77
Ferrari*	80	0.01	80	0.01	320	0.01	320	0.01
Ford	123,093	15.33	142,905	15.79	465,828	14.97	525,451	16.21
Hyundai	10,411	1.30	16,808	1.86	44,822	1.44	66,499	2.05
Isuzu	294	0.04	1,520	0.17	1,130	0.04	6,069	0.19
Jaguar	1,599	0.20	1,344	0.15	6,343	0.20	5,827	0.18
Lamborghini*	13	0.00	13	0.00	52	0.00	52	0.00
Lincoln	20,238	2.52	19,385	2.14	82,916	2.66	65,919	2.03
Lotus*	27	0.00	27	0.00	108	0.00	108	0.00
Maserati	20	0.00	21	0.00	80	0.00	88	0.00
Mazda	18,485	2.30	18,704	2.07	78,222	2.51	72,824	2.25
Mercedes	6,674	0.83	5,934	0.66	24,030	0.77	23,082	0.71
Mercury/Merkur	35,302	4.40	46,999	5.19	132,940	4.27	163,986	5.06
Mitsubishi	13,725	1.71	7,146	0.79	60,141	1.93	28,223	0.87
Nissan	36,224	4.51	41,524	4.59	146,246	4.70	166,796	5.14
Oldsmobile	45,485	5.67	55,079	6.09	177,638	5.71	207,596	6.40
Peugeot	449	0.06	558	0.06	1,578	0.05	1,984	0.06
Plymouth	19,175	2.39	28,245	3.12	85,622	2.75	92,769	2.86
Pontiac	59,204	7.37	67,205	7.43	205,634	6.61	239,515	7.39
Porsche	1,012	0.13	788	0.09	3,374	0.11	2,597	0.08
Rolls/Bentley*	100	0.01	100	0.01	400	0.01	400	0.01
Saab	2,182	0.27	2,693	0.30	8,518	0.27	10,611	0.33
Sterling	302	0.04	351	0.04	1,705	0.05	2,135	0.07
Subaru	9,872	1.23	12,529	1.38	34,827	1.12	50,307	1.55
Suzuki	448	0.06	414	0.05	2,053	0.07	2,000	0.06
Toyota	64,653	8.05	54,776	6.05	251,409	8.08	191,476	5.91
Volvo	8,036	1.00	8,690	0.96	30,436	0.98	34,090	1.05
VWoA	11,757	1.46	11,754	1.30	45,861	1.47	46,092	1.42
Yugo	590	0.07	873	0.10	2,584	0.08	3,331	0.10
TOTAL	**802,803**	**100.00**	**904,843**	**100.00**	**3,111,985**	**100.00**	**3,242,492**	**100.00**
TOTAL GM	**294,379**	**36.67**	**322,723**	**35.67**	**1,122,878**	**36.08**	**1,152,709**	**35.55**
TOTAL FORD	**178,633**	**22.25**	**209,289**	**23.13**	**681,684**	**21.91**	**755,356**	**23.30**
TOTAL CHRYSLER	**83,148**	**7.87**	**99,568**	**11.00**	**274,431**	**8.82**	**347,521**	**10.72**
TOTAL JAPANESE	**217,359**	**27.08**	**216,889**	**23.97**	**841,689**	**27.05**	**764,823**	**23.59**
TOTAL EUROPEAN	**38,873**	**4.84**	**39,566**	**4.37**	**146,501**	**4.71**	**155,584**	**4.80**
TOTAL KOREAN	**10,411**	**1.30**	**16,808**	**1.86**	**44,822**	**1.44**	**66,499**	**2.05**

*—Estimate Big 3 totals include their captive imports. Percent share may contain error of one or two points due to rounding.
Sales charts compiled by Karen Dethkowski

EPA chief predicts stiffer standards, enforcement

By Jack Keebler
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Domestic automakers have done a good job of cleaning up vehicle emissions, but there is more work to do, EPA Administrator William K. Reilly told the Economic Club of Detroit last Monday.

Reilly warned that tougher standards are inevitable and promised vigorous enforcement of environmental laws. He said that a healthy economy supports a healthy environment and a healthy environment ensures a healthy economy.

Reilly contrasted the pollution problems and stunted economic growth of the newly independent nations of Eastern Europe with the environmental and financial health of the United States.

"Poland, Hungary, Romania, East Germany and Czechoslovakia — not to mention the Soviet Union itself — have suffered an environmental catastrophe that will take years and billions of dollars to correct," he said.

"Parts of Poland, East Germany and Romania are virtually uninhabitable. And the same policies that ravaged these nations' environments — the reckless pursuit of unbalanced and unsustainable growth, without regard for the value of natural resources and environmental quality — also ruined their economies."

Reilly said the U.S. auto industry has made environmental progress: "In most major categories of air pollution, emissions on a national basis have either leveled off or declined since 1970.

"Emissions of particulates are down 64 percent; sulfur dioxides, down 25 percent; volatile organics, down 29 percent; carbon monoxide, down 38 percent; and lead, down 96 percent. Automobiles produce 96 percent less hydrocarbons than they did 20 years ago."

Despite the kudos, he said the EPA would continue to stand firm on protecting the environment.

LIGHT-DUTY TRUCK SALES, APRIL

	Apr 1990	Apr 1989	4 Mos 1990	4 Mos 1989
Vans	14,067	15,655	50,563	56,793
Aerostar	16,596	17,179	60,701	64,530
Club Wagon	1,951	2,446	7,628	8,599
Ranger	24,547	24,112	94,453	90,981
Bronco/Explorer	4,517	4,839	20,412	20,910
Bronco II	11,991	8,379	34,113	35,769
Pickups	51,029	54,519	198,194	196,211
Ford	**124,698**	**127,129**	**466,054**	**473,793**
Vans	9,613	9,581	35,296	34,182
Sportsvan	863	770	2,945	3,364
Geo Tracker*	2,754	743	10,326	2,924
Astro	10,812	12,010	43,845	43,070
Lumina APV	6,642	0	18,546	0
S-10	13,255	22,034	57,232	75,533
S-10 Blazer	12,012	14,306	45,854	56,596
Blazer	1,842	1,899	7,061	7,586
Suburban	6,110	5,291	21,270	20,148
Pickups	48,847	51,661	182,848	177,828
Chevrolet	**112,750**	**118,295**	**425,223**	**421,231**
Pontiac Trans Sport	**3,366**	**0**	**9,681**	**0**
Olds Silhouette	**2,389**	**0**	**7,197**	**0**
Vans	5,440	8,163	19,083	23,685
Ram Wagon	2,023	2,643	7,971	8,545
Voyager	12,384	17,224	63,139	61,746
Caravan	13,960	17,803	71,834	67,585
Caravan C/V	1,562	1,103	4,420	5,202
Town & Country	200	0	1,094	0
Ram 50	1,110	2,808	4,985	10,414
Raider	110	360	786	1,817
Ramcharger	979	1,805	3,891	7,858
Dakota	6,[illegible]	8,523	28,042	32,621
Pickups	7,3[illegible]	8,007	33,350	31,060
Chrysler	**51,650**	**68,439**	**238,595**	**250,533**
Vans	3,633	3,490	12,102	12,721
Safari	2,746	2,977	10,513	10,358
S-15	3,251	4,977	13,161	16,816
S-15 Jimmy	3,049	3,740	11,192	13,974
Jimmy	601	497	2,149	2,237
Suburban	2,507	1,953	8,705	7,357
Pickups	14,373	13,584	50,475	49,210
P Model	224	352	849	1,364
W-4	130	130	402	433
GMC	**30,514**	**31,700**	**109,548**	**114,470**
Wrangler	4,521	4,796	15,763	15,813
Wagoneer	220	483	1,205	2,288
Cherokee	7,676	12,029	41,549	46,529
Grand Wagoneer	435	764	2,200	3,542
Comanche	1,199	2,738	5,605	9,196
Jeep	**14,051**	**20,810**	**66,322**	**77,368**
Daihatsu	**357**	**0**	**1,382**	**0**
Isuzu*	**8,548**	**7,817**	**34,802**	**29,629**
Mazda	**9,644**	**10,061**	**36,128**	**38,882**
Mitsubishi	**3,020**	**2,874**	**14,340**	**12,689**
Nissan*	**16,720**	**11,724**	**40,740**	**57,990**
Range Rover	**262**	**408**	**1,352**	**1,599**
Suzuki*	**1,340**	**1,562**	**5,584**	**9,062**
Toyota	**22,171**	**23,148**	**82,076**	**79,185**
Volkswagen	**617**	**0**	**2,092**	**0**
Imports	**62,679**	**57,594**	**218,496**	**229,042**
Industry Total	**482,097**	**423,967**	**1,541,126**	**1,586,437**

*—Includes domestic vehicles

Compiled by Karen Dabkowski

AUCTION DATES

Chrysler Corp.

May 8 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Arena Auto Auction Inc., Bolingbrook, Ill.; Utah Auto Auction Inc., West Bountiful, Utah; South Seattle Auto Auction Inc., Kent, Wash.; Greensboro Auto Auction Inc., Greensboro, N.C.; San Antonio Auto Auction Inc., San Antonio, Texas.

May 9 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Butler Auto Auction, Gibsonia, Pa.; and Denver Auto Auction, Aurora, Colo.

May 10 — Northway Auto Exchange Inc., Clifton Pa.; Aptco Auto Auction Inc., Taylor, Mich.; Big Sky Auto Auction Inc., Billings, Mont.; Omaha Auto Auction, Omaha, Neb.; Golden Gate Auto Auction, Fremont, Calif.; Ark-La-Tex Auto Auction Inc., Shreveport, La.; Florida Auto Auction of Orlando, Ocoee, Fla.

May 11 — Manheim Auto Auction, Manheim, Pa.

May 15 — Clanton's Auto Auction Inc., Darlington, S.C.; Southern Auto Auction, East Windsor, Conn.; Portland Auto Auction Inc., Portland, Ore.; Nashville Auto Auction Inc., Nashville, Tenn.; Southwest Auto Auction Inc., Chandler, Ariz.; and Dallas Auto Auction Inc., Grand Prairie, Texas.

May 16 — Columbus Fair Auto Auction Inc., Columbus, Ohio; and Minneapolis Auto Auction Inc., Plymouth, Minn.

May 17 — Indianapolis Auto Auction Inc., Indianapolis; Fredericksburg Auto Auction Inc., Fredericksburg, Va.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Riverside Auto Auction, Riverside, Calif.; Southern States Vehicle Auction of Atlanta Inc., Newman, Ga.

May 18 — St. Louis Auto Auction Inc., Bridgeton, Mo.; Tri-State Auto Auction Inc., Cicero, N.Y.; Hatfield Auto Auction, Hatfield, Pa.

May 22 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Arena Auto Auction Inc., Bolingbrook, Ill.; Utah Auto Action Inc., West Bountiful, Utah; South Seattle Auto Auction Inc., Kent, Wash.; Greensboro Auto Auction Inc., Greensboro, N.C.; and San Antonio Auto Auction, San Antonio, Texas.

May 23 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Aurora, Colo.

May 24 — Northway Auto Exchange Inc.; Clifton Park, N.Y.; Aptco Auto Auction Inc., Taylor, Mich.; Omaha Auto Auction, Omaha, Neb.; Golden Gate Auto Auction, Fremont, Calif.; Ark-La-Tex Auto Auction Inc., Shreveport, La.; Florida Auto Auction of Orlando, Ocoee, Fla.; and Amarillo Auto Auction Inc., Amarillo, Texas.

Ford Motor Co.

May 8 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Ohio Auto Auction Inc., Grove City, Ohio; and Bay Cities Auto Auction Inc., Hayward, Calif.

May 9 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; Indianapolis Auto Auction, Indianapolis; and Greater Tampa Bay Auto Auction, Tampa, Fla.

May 10 — Denver Auto Auction, Aurora, Colo.; Minneapolis Auto Auction, Maple Grove, Minn.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Miss.

May 15 — Greater Chicago Auto Auction, Chicago, Ill.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and South Seattle Auto Auction, Kent, Wash.

May 16 — Atlanta Auto Auction, Red Oak, Ga.; Baltimore-Washington Auto Exchange, Baltimore, Md.; Fort Worth Auto Auction, Fort Worth, Texas; Southern California Auto Auction, Fontana, Calif.; and Salt Lake Auto Auction, Salt Lake City, Utah.

May 17 — Greensboro Auto Auction, Greensboro, N.C.; Interstate Auto Auction, Mercer, Pa.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and St. Louis Auto Auction, Bridgeton, Miss.

General Motors

May 8 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction Inc., Grand Prairie, Texas; Fresno Auto Dealers Auction, Fresno, Calif.; Manheim Auto Auction, Manheim, Pa.; and Florida Auto Auction of Orlando, Ocoee, Fla.

May 9 — Albuquerque Auto Auction Inc., Albuquerque, N.M.; Atlanta Auto Auction, Red Oak, Ga.; Puget Sound Auto Auction, Auburn, Wash.; Baltimore-Washington Auto Exchange Inc.; Baltimore, Md.; Clanton's Auto Auction, Darlington, S.C.; South California Auto Auction, Fontana, Calif.; Mississippi Auto Auction Inc., Hattiesburg, Miss.; and Omaha Auto Auction Inc., Omaha, Neb.

May 10 — Mid-Ark Auto Auction, North Little Rock, Ark.; Arena Auto Auction Inc., Bolingbrook, Ill.; Columbus Fair Auto Auction, Columbus, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; Utah Auto Auction, West Bountiful, Utah; and the Auto Dealers Exchange of Tucson, Tucson, Ariz.

May 15 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; Florida Auto Auction of Orlando, Ocoee, Fla.; Metro Milwaukee Auto Auction, Milwaukee, Wis.; National Auto Dealers Exchange, Bordentown, N.J.; and Auto Auction of Billings, Billings, Mont.

May 16 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City Inc., Lee's Summit, Mo.; Minneapolis Northstar Auto Auction Inc., Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; and Statesville Auto Auction, Statesville, N.C.

Toyota

May 10 — Clanton's Auto Auction, Darlington, S.C.; and St. Louis Auto Auction, Bridgeton, Mo.

May 15 — South Seattle Auto Auction, Kent, Wash.

May 16 — Greater Tampa Bay Auto Auction, Tampa, Fla.

BMW '89 profits up 23% on record output

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

MUNICH, West Germany — BMW AG reported a 23 percent increase in group net profits during 1989 to 558.1 million marks ($332 million).

The consolidated group result was the first posted by the West German carmaker, which had previously issued only BMW AG parent company results. Those results reflected only manufacturing costs and factory sales to subsidiaries around the world.

Chairman Eberhard von Kuenheim did not forecast 1990 results, but said economic conditions are favorable for another good year.

Car production in 1989 surpassed the half-million mark for the first time, rising 6 percent to 511,476.

BMW's output has risen steadily for the past five years.

Worldwide sales revenue increased 4.2 percent in the first third of the year to 9.2 billion marks ($5.5 billion). But unit sales through April declined 1 percent to 185,858.

Besides the 14 percent drop to 20,168 in the United States, BMW sales slipped 15 percent to 16,031 in Britain and 2 percent to 70,129 in West Germany.

Robert Buechelhoffer, BMW's management board member in charge of sales and marketing, said that despite the company's decline in the United States during the first four months, he expects 1990 volume to reach last year's level of about 64,000 units.

Meanwhile, Volker Doppelfeld, BMW's board member for finance, said the company's U.S. business is in the black and he expects it to remain so.

"Our U.S. business is profitable. It is just not as profitable as it once was when we had the (high dollar) windfall," he said.

Despite the rosy worldwide profits picture, some in Europe see chinks in BMW's armor.

Euromotor Reports Ltd, a British research group, noted in its just-released Euromotor Financial Yearbook that BMW could be losing money as early as 1991 because of a combination of higher wages in Germany and shrinking profits.

As a result, Euromotor suggested that BMW "could become an appetizing snack for predators."

The German business publication *Industriemagazin* recently published details of an internal BMW report. The magazine said it contained a worrisome outlook for the next few years.

The internal report cited four areas of concern:

- The debut of Mercedes-Benz's new S-class early next year that will include offensives against the 7-series from above and below.
- Mercedes' adoption of a more sporty and dynamic image, beginning with last year's SL roadster that was closer to a pure sportscar than BMW insiders had expected, and continuing this fall with the V-8-powered 300 E that will compete with the BMW M5.
- Mercedes' successor to the mid-range W124 model in 1993, when the 5-series is five years old, and the appearance of a a replacement for the 190 compact only a little more than a year after BMW's new 3-series appears early next year.
- Mercedes' far greater financial resources.

There have also been repeated rumblings out of Munich that while all of BMW's models have been strong sellers, they have never been sufficiently profitable owing to high production complexity.

INCENTIVE WATCH

CUSTOMER INCENTIVES

	Rebates	Finance Rates (Pct.) — Months — 24	36	48	60	Expiration Date
Chrysler Motors (1988-89 models)						
Chrysler	$1,000-$2,000	2.9	6.9	7.9	9.9	None
Dodge cars	$750-$1,500	2.9	6.9	7.9	9.9	None
Dodge trucks	$750-$2,500	2.9	6.9	7.9	9.9	None
Eagle	$1,000-$2,000	2.9	6.9	7.9	9.9	None
Jeep	$500-$1,500	2.9	6.9	7.9	9.9	None
Plymouth	$750-$1,250	2.9	6.9	7.9	9.9	None
Chrysler Motors (1990 models)						
Dodge cars	**$750-$1,000**	**2.9**	**6.9**	**7.9**	**9.9**	**None**
Eagle Summit	**$1,000**	**2.9**	**6.9**	**7.9**	**9.9**	**None**
Plymouth	**$750-$1,000**	**2.9**	**6.9**	**7.9**	**9.9**	**None**
Chrysler Motors (1990 models, guaranteed rebates*)						
Chrysler	**$1,000**	**2.9**	**6.9**	**7.9**	**9.9**	**May 31**
Dodge cars	**$750-$1,500**	**2.9**	**6.9**	**7.9**	**9.9**	**May 31**
Dodge trucks	**$1,000 - $2,000**	**2.9**	**6.9**	**7.9**	**9.9**	**May 31**
Eagle	**$750-$2,000**	**2.9**	**6.9**	**7.9**	**9.9**	**May 31**
Jeep	**$500-$1,000**	**2.9**	**6.9**	**7.9**	**9.9**	**May 31**
Plymouth	**$750-$1,000**	**2.9**	**6.9**	**7.9**	**9.9**	**May 31**

*Buyer will receive any increase in rebate through Sept. 30, 1990.
Finance rates are 0/1.9/2.9/4.9 on 1989-1990 Chrysler LeBaron coupe; Plymouth Acclaim and Sundance; Dodge Daytona, Spirit and Shadow; and Eagle Premier; and 1990 LeBaron sedan and Dodge Monaco. The 24-month rate on 1989-1990 Jeep Cherokee and Wagoneer is 6 percent. Expiration date is May 31.

Ford Motor Co. (1989-90 models)						
Ford cars	**$750-$1,500**	**7.9***	**7.9***	**7.9***	**10.9**	**May 31**
Ford trucks	**$500-$1,500**	**7.9**	**7.9**	**7.9**	**10.9**	**May 31**
Continental, Mark VII	**$1,500-$2,000**					**May 31**
Mercury	**$750-$1,500**	**7.9***	**7.9***	**7.9***	**10.9**	**May 31**

*Escort and Tracer rate is 6.9%.

Ford Motor Co. (1988-89 models)						
Merkur	$4,000					May 31
General Motors (1989 models)						
Chevrolet cars	$500-$1,400	7.9	7.9	7.9	10.9	July 9
Chevrolet trucks	$500-$1,500	7.9	7.9	7.9	10.9	July 9
Oldsmobile Cutlass Supreme	$750-$1,000	7.9	7.9	7.9	10.9	Aug. 2
Pontiac	$750-$2,000*	7.9	7.9	7.9	10.9	Aug. 2

*Dealers contribute $1,000 on Grand Prix in some markets.

General Motors (1990 models)						
Buick	**$500-$1,250***	**7.9**	**7.9**	**7.9**	**10.9**	**Aug. 2**
Riviera	**$2,000**	**7.9**	**7.9**	**7.9**	**10.9**	**Aug. 2**
Chevrolet cars	**$700-$1,400**	**7.9**	**7.9**	**7.9**	**10.9**	**July 9**
Chevrolet trucks	**$500-$1,500**	**7.9**	**7.9**	**7.9**	**10.9**	**July 9**
Cadillac	**$1,500-$2,000**					**May 31**
Olds Toronado	**$2,500**	**7.9**	**7.9**	**7.9**	**10.9**	**Aug. 2**
Cutlass Ciera	**$1,000**	**7.9**	**7.9**	**7.9**	**10.9**	**Aug. 2**
Pontiac	**$750-$2,000****	**6.9**	**6.9**	**6.9**	**10.9**	**Aug. 2**

*Based on option package selected. **Dealers contribute $1,000 on Grand Prix in some areas.

General Motors (1991 models)						
Buick	**$500-$1,250***		**7.9**	**7.9**	**7.9**	**Aug. 2**
Chevrolet cars	**$750**	**7.9**	**7.9**	**7.9**	**10.9**	**June 11**
Chevrolet trucks	**$1,000**	**7.9**	**7.9**	**7.9**	**10.9**	**July 9**

*Based on option package selected.

Audi (1990 models)*		**4.9**	**4.9**	**6.9**	**9.9**	**June 30**

*—Finance incentive takes effect only if dealer foregoes dealer cash incentive.

Hyundai (1989-90)	**$500-$1,700, based on sticker**	**June 5**
Isuzu (1989-90)	**$1,000-$1,200***	**June 30**

*If dealer foregoes dealer incentive.

Mazda 323 (1990)	**$750**	**June 4**
Trucks (1990)	**$750-$1,000**	**None**
Mitsubishi (1989-1990 models) Cars, trucks*	**$500-$2,000**	**June 30**

*Payments vary by regions.

Peugeot (1989-90)	**$1,000-$3,000**	**None**
Sterling (1989 models)	$5,000	June 30

Ford, GM revise spiffs, up interest rate

Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Ford Motor Co. and General Motors revamped their retail and dealer incentive programs, which included raising the finance rate to 7.9 from 6.9 percent on most contracts of up to 48 months.

Meanwhile, several import manufacturers adjusted their programs or let them expire.

Ford is offering a $1,000 rebate on the 1990 Escort. Customer rebates on other 1989 and 1990 vehicles are as follows: Festiva, $900; Probe, $1,500; Mustang 2.3L, $1,000; Tempo, $700; Taurus, $900; Thunderbird, $1,300; Crown Victoria, $750; Aerostar, $700; Bronco II, $1,500; Bronco, $1,000; Ranger, $1,000; F-Series, automatic transmission, $700; F-Series, manual transmission, $500; and Econoline/Club, $700.

Customer rebates are $1,500 on 1989½ Mercury Tracer and $4,000 on the 1988 and 1989 Merkur XR4Ti. Other rebates on 1989 and 1990 Lincoln-Mercury models are as follows: Topaz, $700; Sable, $900; Cougar, $1,300; Continental, $1,500; Mark VII, $2,000.

Ford is paying its dealers $1,000 on 1990 Taurus SHO and $2,000 on 1989 Taurus SHO. The program expires May 31.

In lieu of the cash rebate, customers may choose special finance rates. Financing for Escort and Tracer is 6.9 percent for contracts up to 48 months and 10.9 percent for 49- to 60-month contracts. Finance rates on all other Ford and Mercury vehicles are 7.9 percent for contracts up to 48 months and 10.9 percent for 49- to 60-month contracts. There are no special finance rates for Lincoln or Merkur. Ford's program expires May 31.

Pontiac announced retail incentives of $750 on 1989 and 1990 LeMans, Sunbird, 6000 and $1,000 on 1989 and 1990 Grand Am, Bonneville, Grand Prix and Trans Sport. Customer rebate on 1989, 1990 and 1991 Firebird is $750. Also, many dealers are offering an additional $1,000 on Grand Prix.

Pontiac is offering dealers $500 on 1989 and 1990 Firebird.

Oldsmobile ushered in its "New Generation Sell-A-Bration III" program by increasing the retail incentive on 1990 Toronados to $2,500 and adding a new consumer rebate of $1,000 on 1990 Cutlass Ciera.

Oldsmobile dealers earn $750 to $1,250 on 1989 and 1990 Cutlass Supreme, Silhouette, Custom Cruiser, 88 and 98, based on dealer quota. The program expires Aug. 2.

Buick's new consumer program includes 1991 Regal sedan and 1990 Skylark, Century, and LeSabre, all of which carry a rebate of $500 to $1,250, depending on option package selected. Rebates on 1990 Electra/Park Avenue Ultra range from $500 to $1,000, depending on option package selected, while the rebate on 1990 Riviera/Reatta is $2,000.

Buick dealers earn $1,000 on 1990 Estate Wagon through June 4 and $2,000 on 1989 Riviera and Reatta through Aug. 2.

Chevrolet customer rebates include: 1989 and 1990 Geo Metro, $500; 1990 Geo Storm, $800; 1990 Geo Prizm, $900; 1989 and 1990 Geo Tracker, $1,000; 1989 and 1990 Cavalier, $750; 1989 and 1990 Camaro, $1,250; 1991 Camaro $750; 1989 and 1990 Celebrity, $900; 1989 and 1990 Corsica, $700; 1998 and 1990 Beretta, $1,400; 1990 Lumina coupe/sedan, $1,000 plus free V-6 engine; and 1991 Caprice, $750.

Retail incentives on Chevy trucks include: 1989 and 1990 Astro Van (excluding AWD), $700; 1989 and 1990 Chevy Van, $700; 1989 and 1990 full-size Blazer, $1,000; 1989 and 1990 Suburban, $1,000; 1989 and 1990 R/V full-size pickup and chassis-cab, $750; 1989 and 1990 C/K 1500-3500 full-size pickup and chassis-cab automatic transmission (excluding 454SS) $700; and C/K 1500-3500 full-size pickup and chassis-cab manual transmission, $500.

Also included are: 1989 and 1990 S-10 pickup, $1,500; 1991 S-10 pickup, $1,000; 1989 and 1990 S-10 Blazer, $1,500; 1991 S-10 Blazer (2-door), $1,000; and Lumina APV, $900.

Chevrolet extended its current dealer program and added the 1990 Corvette, which pays dealers $2,000 to $4,000 based on sales.

Chevrolet's program expires July 9, except on Caprice which expires June 11.

As an alternative to rebates, GM customers may choose special financing through GMAC of 7.9 percent for up to 48 months or 10.9 percent on 49- to 60-month contracts.

Subaru of America announced a new dealer incentive program which pays dealers $400 on 1990 Loyale, $400 to $1,200 on 1990 Legacy depending on sales and $500 on 1989 and 1990 Justy ECVT. Subaru's program expires July 3.

Sterling Motors Cars' extended its $5,000 retail incentive program until June 30.

BMW of North America's customer incentive program and Saab-Scania of America's dealer program expired April 30. Nissan Motor Corp in U.S.A. dealer programs expired May 2.

INCENTIVE WATCH

DEALER INCENTIVES

	Rebate	Expiration Date
Ford Motor Co. (1989 models)		
Ford Cars, Taurus SHO	$2,000	May 31
Ford Motor Co. (1990 models)		
Ford Cars, Taurus SHO	**$1,000**	**May 31**
General Motors (1989 models)		
Buick Reatta, Riviera	$2,000	June 4
Chevrolet Nova, Spectrum (1988)	$500	July 9
Geo, Celebrity	$500	July 9
Geo Tracker	$1,000	July 9
Corvette	$2,000-$4,000 based on sales	July 9
Oldsmobile Cutlass Supreme, 88, Custom Cruiser, 98	$750-$1,250	Aug. 2
Pontiac Firebird	$500	Aug. 2
General Motors (1990 models)		
Buick Estate Wagon	**$1,000**	**Aug. 2**
Corvette	**$2,000-$4,000 based on sales**	**July 9**
Chevrolet Geo, Celebrity	**$500-$1,000**	**July 9**
Geo Tracker	**$1,000**	**July 9**
Oldsmobile Cutlass Supreme, 88, Custom Cruiser, 98, Silhouette	**$750-$1,250, based on sales**	**Aug. 2**
Pontiac Firebird	**$500**	**Aug. 2**
Audi (1990 models)*	**$2,000-$3,000**	**June 30**

*-Dealer has option of foregoing cash incentive and offering cut-rate financing to customer.

Hyundai Excel (1989-90)	**$200, quota**	**June 5**
Isuzu (1990 models)		
Pickups*	**$800-$1,300 based on number sold**	**June 30**
Trooper	**$900-$1,400 based on number sold**	**June 30**

*$250 extra on 4wd models

Mitsubishi (1989-1990 models) Cars, trucks*	**$500-$2,000 based on number sold**	**June 30**

*Payments vary by regions.

Subaru (1989 models)		
Justy ECVT	$500	July 3
Subaru (1990 models)		
Justy ECVT	**$500**	**July 3**
Loyale	**$400**	**July 3**
Legacy	**$400-$1,200, based on sales**	**July 3**
Suzuki		
Samurai (1988-89)	$1,000	June 4
Swift (1989)	$1,000-$2,000	June 4
Sidekick (1989)	$500-$2,500	June 4
Swift (1990)	**$400**	**June 4**
Sidekick (1990)	**$700-$1,500**	**June 4**
Volkswagen (1989 models)		
Cars	$600-$2,500	None
Vanagon	$3,000-$4,000	None

PRODUCTION

Trucks built faster now; cars mired

By Greg Bowens
SPECIAL CORRESPONDENT

U.S. automakers scheduled 136,600 cars last week, 0.7 percent below the previous week and 10.76 percent below the year-ago week.

Total U.S. car production this year reached 2,072,729 units, a 23.19 decline from 1989.

Truck assembly last week was scheduled at 93,358 units, or 1.43 percent more than the previous week and 2.78 percent more than the year-ago week. Year-to-date truck production was 1,365,682 units, a drop of 15.44 percent from the 1989 total at this time.

Companies split last week's scheduled production as follows: General Motors, 47.58 percent; Ford Motor Co., 22.78 percent; Chrysler Corp., 11.57 percent; Honda of America Manufacturing Inc., 6.55 percent; Toyota Motor Manufacturing U.S.A. Inc., 3.24 percent; New United Motor Manufacturing Inc., 3.07 percent; Mazda Motor Manufacturing (USA) Corp., 1.56 percent; Diamond-Star Motors Corp., 2.16 percent; Nissan Motor Manufacturing Corp. U.S.A., 1.16 percent; and Subaru-Isuzu Automotive Inc., 0.33 percent.

General Motor's car and truck plants were all running last week with the exception of the Arlington, Texas, plant. That plant is down for conversion to 1991 Caprice output. The Arlington facility produces the Fleetwood Brougham, Caprice and Olds (rwd) wagon.

GM's Janesville, Wis., plant scheduled Friday overtime. The company's Lordstown, Ohio, Detroit-Hamtramck and Lake Orion, Mich., plants all scheduled Saturday overtime.

GMC scheduled Saturday overtime at its Moraine, Ohio, plant where S-15 trucks are assembled.

Ford scheduled Saturday overtime at plants in Wixom, Mich., Kansas City, Mo., Twin Cities, Minn., and St. Louis. Ford also reported daily overtime at Wixom and Wayne, Mich., plants.

Ford's Lorraine, Ohio, Thunderbird/Cougar facility was down last week for inventory adjustment.

Chrysler's St. Louis No. 1 assembly plant, which assembles Chrysler LeBaron J and Dodge Daytona models, will operate a single eight-hour shift during the month of May. All Chrysler Motors U.S. assembly plants are scheduled to work throughout the month.

Canada output increases 10%

Canadian automakers scheduled 26,139 cars for production last week. That was 10.86 percent above the previous week and 18.95 percent above the year-ago week.

This year's total production has reached 352,598 cars, which is 1.55 percent below last year's count.

Truck production was scheduled at 20,961 units, 14 percent higher than the previous week and 1.65 percent below the year-ago week.

To date, the total Canadian manufacturers truck output is 321,860 units, 11.28 percent below the year-ago total.

U.S. CAR	Week Ended May 5, 1990	Week Ended May 6, 1989	Week Ended Apr. 28, 1990	Apr Est	Jan. 1 to May 5, 1990	Jan. 1 to May 6, 1989
Horizon	0	326	0	0	4,327	4,805
Sundance	1,700	2,537	2,036	5,095	25,210	42,205
Acclaim	2,400	2,400	2,279	5,920	27,697	42,909
Total Plymouth	4,100	5,763	4,315	11,015	57,234	89,919
LeBaron A	300	0	303	2,344	7,945	0
LeBaron J	1,400	2,786	1,447	3,680	13,132	42,030
LeBaron GTS	0	0	0	0	0	2,946
N. Yorker C-Class	1,400	2,018	1,510	3,186	9,432	41,976
Fifth Avenue	700	0	739	1,907	9,667	0
Imperial	300	0	305	999	5,910	0
Total Chrysler	4,100	4,804	4,304	12,116	46,086	86,952
Omni	0	964	0	0	4,078	5,550
Daytona	900	1,843	953	3,383	9,799	37,744
Shadow	2,300	2,282	2,049	5,457	28,582	42,225
Dynasty	2,300	3,467	2,366	6,703	37,530	57,404
Lancer	0	0	0	0	0	1,528
Spirit	2,100	2,189	2,359	6,009	29,234	40,206
Total Dodge	7,600	10,745	7,727	21,552	109,223	184,657
CHRYSLER MOTORS	15,800	21,312	16,346	44,683	212,543	361,528
Escort	6,650	8,612	6,397	22,417	66,141	123,569
Mustang	3,705	3,717	3,705	6,410	48,280	84,451
Tempo	3,163	2,714	3,368	12,762	46,544	58,280
Taurus	7,695	8,045	7,600	28,577	133,637	143,273
Thunderbird	0	3,195	3,372	8,665	37,694	63,721
Total Ford Div.	21,213	26,283	24,442	78,831	332,296	473,294
Topaz	1,237	1,796	1,151	4,453	18,016	25,608
Cougar	0	3,206	2,253	5,960	25,219	54,859
Sable	2,793	2,705	2,910	11,605	40,409	46,983
Total Mercury	4,030	7,707	6,314	22,018	83,644	127,450
Continental	1,280	1,435	1,135	4,652	19,582	26,349
Mark VII	668	312	560	2,335	9,809	9,765
Town Car	3,928	2,521	3,405	14,007	59,034	48,145
Total Lincoln	5,876	4,268	5,100	20,993	88,425	84,259
Total L-M Div.	9,906	11,975	11,414	43,011	172,069	211,709
FORD MOTOR CO.	31,119	38,258	35,856	121,842	504,365	685,003
Skyhawk	0	296	0	0	0	6,029
Skylark/Somerset	1,813	1,438	1,888	7,944	30,031	20,181
Century	1,533	2,518	1,865	4,317	22,500	43,740
Riviera	1,680	352	485	2,220	9,181	9,769
Electra	96	0	40	105	12,513	29,084
LeSabre (fwd)	3,499	4,960	4,648	14,999	56,699	51,459
LeSabre (rwd)	288	76	138	509	2,510	3,323
Reatta	211	0	211	781	3,043	2,392
Total Buick	9,120	9,640	9,275	30,874	136,477	165,977
Eldorado	1,136	1,019	334	2,188	8,331	14,399
Seville	4,049	752	1,154	3,789	13,873	10,578
Brougham (rwd)	0	620	931	3,395	13,065	15,132
DeVille (fwd)	4,923	4,193	4,146	15,637	57,580	81,586
Allante	89	75	86	332	1,285	1,228
Total Cadillac	10,197	6,659	6,651	25,340	94,134	122,923
Cavalier	8,331	7,756	7,134	27,307	107 452	143,374
Camaro	1,930	2,683	1,951	7,299	19,369	44,564
Celebrity	0	1,998	0	0	0	52,070
Corsica/Beretta	6,160	7,972	6,119	23,270	97,372	153,005
Caprice	1,370	4,056	3,194	11,544	71,445	74,060
Corvette	588	560	560	2,134	8,204	9,449
Total Chevrolet	18,379	25,025	18,958	71,554	303,842	476,522
Calais	2,507	2,219	2,058	8,640	32,111	34,714
Cutlass Ciera	710	1,817	1,653	3,066	26,794	30,412
Cutlass Supreme	1,688	3,521	1,962	7,195	28,961	37,593
Toronado	768	211	231	1,366	7,508	3,863
88 (fwd)	2,923	3,160	2,721	9,086	32,036	57,161
88 (rwd)	0	194	1,112	1,325	2,295	2,847
98	1,333	830	1,112	4,281	19,590	33,540
Total Oldsmobile	9,929	11,952	10,849	34,958	149,295	200,130
Sunbird	4,434	3,053	3,760	14,988	48,990	55,013
Grand Am	4,800	6,059	4,574	17,996	64,781	92,283
Firebird	1,028	1,260	1,249	4,607	11,624	25,797
Grand Prix	2,785	4,000	0	8,574	35,276	54,427
Pontiac 6000	1,348	1,412	526	2,579	19,492	34,290
Bonneville	2,980	2,260	2,696	8,648	26,760	37,127
Safari/Parisienne	0	138	0	0	0	1,995
Total Pontiac	17,375	18,182	12,805	57,391	206,923	300,932
GENERAL MOTORS	65,000	71,458	58,538	220,117	890,671	1,266,484
DIAMOND-STAR	2,945	1,186	2,853	11,120	49,294	15,333
HONDA	8,950	7,684	8,810	35,287	154,686	138,299
Civic	2,758	2,588	2,734	10,814	42,303	46,736
Accord	6,192	5,096	6,076	24,473	112,383	91,563
MAZDA†	2,129	4,425	3,644	14,632	63,808	86,095
NISSAN	1,580	2,283	1,571	6,385	37,725	40,342
NUMMI	4,200	4,262	5,110	17,500	72,296	70,322
Corolla	2,000	1,596	2,470	8,500	37,388	28,811
Geo Prizm/Nova	2,200	2,666	2,640	9,000	34,908	41,511
SUBARU-ISUZU	449	0	422	1,790	9,509	0
TOYOTA	4,428	2,194	4,412	18,380	77,832	35,085
Total Cars, U.S.	136,600	153,062	137,562	491,735	2,072,729	2,698,491
Total Cars, Canada	26,139	21,974	23,579	82,308	352,598	358,159
U.S., Canada Cars	162,739	175,036	161,141	574,043	2,425,327	3,056,650
U.S., Canada Cars and Trucks	277,058	287,185	271,571	986,286	4,112,869	5,034,500

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes MX-6, 626, and Ford Probe
*—Estimated

CANADIAN CAR	Week Ended May 5, 1990	Week Ended May 6, 1989	Week Ended Apr. 28, 1990	Apr Est	Jan. 1 to May 5, 1990	Jan. 1 to May 6, 1989
Monaco	0	0	0	0	3,593	0
Premier	0	0	0	0	1,252	14,885
CHRYSLER MOTORS	0	0	0	0	4,845	14,885
Tempo	3,360	3,373	3,232	6,367	43,249	60,063
Topaz	1,440	1,444	1,375	3,045	15,318	25,388
Crown Victoria	2,563	2,925	3,003	11,507	43,341	48,050
Grand Marquis	3,197	2,873	2,673	9,794	39,812	54,079
FORD MOTOR CO.	10,560	10,615	10,283	30,713	141,720	187,580
Celebrity	1,179	575	1,230	2,448	8,683	4,456
Cutlass Ciera	2,381	3,005	2,335	5,054	29,264	65,101
Lumina	5,185	4,218	3,586	18,338	77,244	25,745
Regal	2,775	1,308	2,080	9,362	56,674	25,090
GENERAL MOTORS	11,520	9,106	9,231	35,202	110,448	120,392
HONDA	2,150	1,686	2,089	8,443	37,732	29,389
HYUNDAI*	579	0	534	1,580	6,155	0
TOYOTA	1,150	387	1,262	5,650	21,105	2,814
VOLVO	180	180	180	720	3,167	3,099
Total Cars, Canada	26,139	21,974	23,579	82,308	352,598	358,159

U.S. TRUCK	Week Ended May 5, 1990	Week Ended May 6, 1989	Week Ended Apr. 28, 1990	Apr Est	Jan. 1 to May 5, 1990	Jan. 1 to May 6, 1989
Caravan	2,400	2,189	2,504	8,354	40,101	40,114
Dakota	2,000	2,418	2,013	6,662	25,747	41,144
Caravan C/V	100	121	132	522	2,579	3,544
Ram pickups	3,000	2,448	3,032	9,808	37,615	41,142
Total Dodge	7,500	7,176	7,681	25,346	106,042	125,944
Cherokee	4,000	4,699	4,107	9,828	56,768	83,011
Comanche	200	569	163	481	2,620	12,014
Grand Wagoneer	0	350	0	195	1,455	5,373
Wagoneer	100	117	106	268	1,289	3,529
Total Jeep	4,300	5,735	4,376	10,772	62,132	103,927
Voyager	2,200	1,984	2,444	8,215	38,465	38,350
Town & Country	50	0	108	279	1,302	0
Total C-P Div.	2,250	1,984	2,552	8,494	39,767	38,350
CHRYSLER MOTORS	14,050	14,895	14,609	44,612	207,941	268,221
Aerostar	5,634	5,679	4,827	18,451	67,929	90,670
Bronco	1,193	1,654	1,180	4,448	19,101	31,657
Bronco II	4,679	2,613	5,028	16,494	42,105	48,650
Econoline	4,994	5,164	4,895	18,192	66,963	89,709
Mediums/Heavies	1,288	1,334	1,209	4,540	18,155	25,234
Light trucks	10,656	12,569	9,891	36,530	158,288	201,263
Ranger	6,338	6,943	6,408	25,302	105,605	130,493
Total Ford Div.	34,782	35,956	33,438	123,955	478,146	615,676
FORD MOTOR CO.	34,782	35,956	33,438	123,955	478,146	615,676
Astro	2,875	3,531	2,930	10,797	39,515	62,561
Blazer	407	651	431	1,631	5,886	10,235
Lumina APV	2,418	0	2,189	8,567	34,750	0
Mediums/Heavies	323	0	235	839	2,968	1,312
P-Model	619	844	613	2,326	8,368	12,037
Pickups	7,055	7,769	6,689	26,472	123,542	146,023
S-10	4,997	4,968	4,980	17,676	81,459	100,941
S-10 Blazer	3,570	3,852	3,312	14,391	41,335	69,474
Sportsvan/Van	1,975	2,000	2,026	7,537	22,578	35,414
Suburban	1,474	1,803	1,540	5,962	23,192	28,390
Total Chevrolet	25,713	25,418	24,945	96,198	383,593	466,387
Jimmy	121	196	125	473	1,935	3,045
Mediums/Heavies	497	0	538	2,249	4,597	1,496
P-Model	81	114	90	277	1,069	1,563
Pickups	2,762	2,288	2,989	10,393	43,014	4,490
S-15	1,168	1,150	1,187	4,194	20,103	23,904
S-15 Jimmy	1,196	1,132	1,133	4,557	12,942	19,781
Safari	885	904	954	3,495	12,210	15,598
Suburban	806	730	676	2,478	10,147	11,368
Vandura/Rally Vans	485	522	477	1,811	8,213	9,610
Total GMC	8,001	7,036	8,169	29,928	114,230	130,855
Olds Silhouette	665	0	700	2,766	10,826	0
Pontiac Trans Sport	1,435	0	1,282	4,152	19,788	0
GENERAL MOTORS	35,814	32,454	35,096	133,044	528,437	597,242
NAVISTAR	1,643	1,862	1,655	3,998	24,902	31,373
NISSAN	3,220	2,219	3,255	12,551	53,925	46,548
SUBARU-ISUZU	399	0	540	1,838	9,541	0
AM GENERAL*	450	450	450	1,890	8,190	7,920
MISCELLANEOUS*	3,000	3,000	3,000	12,600	54,600	48,100
Total Trucks, U.S.	93,358	90,836	92,043	334,488	1,365,682	1,615,080

CANADIAN TRUCK	Week Ended May 5, 1990	Week Ended May 6, 1989	Week Ended Apr. 28, 1990	Apr Est	Jan. 1 to May 5, 1990	Jan. 1 to May 6, 1989
Caravan	3,529	3,083	3,181	12,707	57,791	55,619
Caravan C/V	295	341	310	1,209	4,591	4,149
Ram Wagon	738	675	539	2,211	8,326	10,499
Ram Van	1,566	1,747	1,385	5,550	20,768	27,308
Total Dodge	6,128	5,846	5,415	21,677	91,476	97,575
Voyager	2,734	2,722	2,715	10,402	47,589	48,439
Total Plymouth	2,734	2,722	2,715	10,402	47,589	48,439
Wrangler	1,700	1,885	1,518	6,340	18,604	29,598
Total Jeep	1,700	1,885	1,518	6,340	18,604	29,598
CHRYSLER MOTORS	10,562	10,453	9,648	38,418	157,939	175,612
FORD MTR. (lt. trks.)	3,344	3,650	3,068	12,596	50,519	62,126
Light trucks	3,462	3,366	2,670	13,545	62,819	56,379
Vans	1,390	1,417	1,153	5,023	16,386	24,745
Total Chevrolet	4,852	4,783	3,823	18,568	79,205	81,124
Light trucks	1,418	1,473	938	4,911	23,624	27,378
Vans	560	683	683	2,354	7,094	12,032
Total GMC	1,978	2,156	1,621	7,265	30,718	39,410
GENERAL MOTORS	6,830	6,939	5,444	25,833	109,923	120,534
NAVISTAR	225	271	227	908	3,749	4,498
Total Trks., Canada	20,961	21,313	18,387	77,755	321,860	362,770
U.S., Canada Trks.	114,319	112,149	110,430	412,243	1,687,542	1,977,850

*—Estimated
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.